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Daily Report

East Europe

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FBIS-EEU-94-145 *28 July 1994*

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SDS Splinter Groups Form 'New Choice'

AU2807105594 Sofia Khorizont Radio Network in Bulgarian 0900 GMT 28 Jul 94

[Text] The new political formation resulting from the merger of the New Policy Center and the Alliance For Democracy will be called New Choice [Nov Izbor].

In a statement issued at the first news conference of the new formation today, its founders declared themselves in favor of a multiparty political system, a stable executive power, and a civil society without crime. The new formation is based on the principles of liberalism, but intends to conduct a stable social policy. It aspires to become the organization of the new middle class and insists on observing the rules of the great game called policymaking.

The parliament members of the New Choice political alliance are planning to form a joint parliamentary group. The relevant documents will be submitted to Parliament Chairman Aleksandur Yordanov today, while the formation of a new, sixth parliamentary group will be officially announced in autumn 1994.

DPS's Dogan on Muslim Rights, Libyan Visit

AU2707162194 Sofia DUMA in Bulgarian 22 Jul 94 p 3

[Interview with Ahmed Dogan, leader of the Rights and Freedoms Movement, by Radka Petrova: "A Hypothesis Is Not an Appeal, and I Am Not 'Black Peter'"]

[Text] [Petrova] Mr. Dogan, how to you describe the preliminary investigation that the Chief Prosecutor's Office has instituted into the statements that you made in Kurdzhali on 2 July concerning the use of the Bulgarian language in the Army and the calls to strip you of your parliamentary immunity?

[Dogan] Someone has drunk too much vodka and imagined I am "Black Peter" [not further identified]—that is how I regard this action.

[Petrova] And are you "Black Peter"?

[Dogan] I do not know. I have not yet been called this.

[Petrova] You are accused of calling for a boycott of Army service and of grossly violating the Constitution.

[Dogan] These accusations are absurd. My statement in Kurdzhali was hypothetical, and what I said was: "Imagine what would happen in the event of a least hint of a "revival process" if we urge the lads of our nationality not to obey the language provision in the army act or if, as an even more extreme measure, we call for a boycott on army service." A hypothesis is not an appeal, and in jurisprudence such things are of little significance. Furthermore, I am always aware of what I say. Before 1989 I spent six months under investigation and three and a half years in prison, so I know what I can say.

[Petrova] People say [Chief Prosecutor] Ivan Tatarchev is involved in the attack on you.

[Dogan] Tatarchev's people, who are taking these actions, do nothing without Tatarchev knowing about it.

[Petrova] You have just returned from Libya. While you were there, did you defend the interests of the Bulgarian State or the interests of the Muslim minority in Bulgaria?

[Dogan] Both. I had a 45-minute meeting with Mu'ammar al-Qadhdhafi during which we mainly talked about settling the payments that Libya owes to Bulgaria, which have been suspended for some time. We reached agreement on an initial payment of about $300 million to our country, which is to start in September.

[Petrova] Yes, but according to financial experts Libya owes Bulgaria about $1.2 billion, does it not?

[Dogan] Libya assured us that the debt will be paid in full. Initially, they will start by repaying a quarter of the debt. We also discussed the $50-million credit that Bulgaria granted Libya in the 80's, for which we have received no payments at all. Apart from this, Libya will settle the problem of the 6,000 Bulgarian workers there, about 1,000 of whom are there illegally, as well as the fate of the Bulgarian plant and equipment left behind after the completion of joint construction projects there.

[Petrova] How precisely did you describe the problem of the Muslim minority in Bulgaria to al-Qadhdhafi?

[Dogan] I used the opportunity to thank him for the strong position that he adopted in 1985 during the "revival process." I discussed with him the rights of the Bulgarian Muslim minority at the moment because we do not think that this issue should be dropped from the agenda of the Islamic Conference. Mr. al-Qadhdhafi said he will demand that the issue stay on the agenda.

[Petrova] Why are you still seeking help on this question when a number of international organizations have acknowledged in their reports that the rights of the Muslim minority in Bulgaria have been restored, and recently Turkish President Suleyman Demirel, Foreign Minister Hikmet Cetin, and the prominent Turkish public figure Ali Dincer confirmed their readiness to ask that the Bulgarian problem be dropped from the agenda of the Islamic Conference meetings?

[Dogan] I respect the views of all three figures, but believe that the problem does not lie within the competence of individual politicians, but is one for the Turkish Government and the Turkish State as a whole. The DPS believes that the rights of the Muslim minority have not been completely settled, because we observe certain signs of returning to the past, and in our view the problem of the language used in the Army is only one of the proofs of this.

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Chief Prosecutor Views Topical Legal Issues

AU2707131194 Sofia DEMOKRATSIYA in Bulgarian 22 Jul 94 p 3

[Interview with Chief Prosecutor Ivan Tatarchev by Asya Gruncharova; place and date not given: "Chief Prosecutor Feels Fine Despite Difficulties"]

[Text] As soon as he returned from his trip, Chief Prosecutor Ivan Tatarchev immediately made his mark in the newspapers and in radio and television reports. Ahmed Dogan [leader of Rights and Freedoms Movement] also attracted media attention by his insolent statement at Sofia airport. In Tatarchev's absence the Judiciary Act was returned by the Presidency to the National Assembly for reconsideration.

[Gruncharova] How do you feel, Mr. Tatarchev?

[Tatarchev] I am in excellent spirits, although I have had some problems with my health and was told to have an examination and undergo treatment. For the benefit of those who may be interested, I will mention that neither the state nor any company paid the expenses related to my trip to Austria. Longstanding emigre friends of mine settled the entire bill.

[Gruncharova] On your return to Bulgaria you found trouble waiting. How did you handle it?

[Tatarchev] I am used to trouble. I did not expect anything different from the present parliament, given its composition. However, the new Judiciary Act contains anticonstitutional provisions, and one does not have to be a lawyer to understand that they cannot stand.

[Gruncharova] Is there any danger of you and [Supreme Court President] Ivan Grigorov being removed from office in the interval between the publication of the act and the ruling of the Constitutional Court on its validity?

[Tatarchev] It would be difficult to do this before the new Codes of Penal Procedure and Civil Procedure are passed. If this act is not deferred, it will cause complete legal chaos. People will not be able to appeal against verdicts and decisions that affect their rights and interests because there will be no court to appeal to.

[Gruncharova] The day before yesterday, Dogan made an extremely rude statement concerning the Chief Prosecutor's office. Did you hear it.

[Tatarchev] I read what this person said in the press. He should realize that unless he learns himself how to observe the country's laws, he will find someone will teach him. Bulgaria has an executive power, a prosecution service, and courts of law, and they are able to put any citizen who forgets himself in his proper place. In Kurdzhali Dogan ventured to play the ethnic card and, what is more, called upon soldiers of Turkish nationality to disobey their commanders and boycott military service. Accordingly, on the basis of Article 191 of the Code of Penal Procedure, I ordered a preliminary investigation to establish whether he committed this crime or not.

[Gruncharova] How do you interpret the DPS leader's comment that "Dogan is not Tatarchev."

[Tatarchev] I am very glad; it means he realizes that I am not like him. I would regard it as a personal insult if he likened me to himself.

[Gruncharova] Bearing . mind the attempts to recommunize the judicial system, what will happen with the Lovech death camps trial, in which you are the prosecuting attorney?

[Tatarchev] The trial will continue in the autumn. I believe this is so, but in our country anything can happen, and nothing will surprise me.

[Gruncharova] You did not carry out your promise to bring Ognyan Doynov back in a sack....

[Tatarchev] Although I was joking when I said this, I would like to do it. There are other persons apart from Doynov who should be brought back from abroad in sacks. Unfortunately, I do not have the power to do this at the moment.

Commentary Warns of 'Breakdown' in Income Policy

AU2707155794 Sofia KONTINENT in Bulgarian 25 Jul 94 p 4

[Commentary by Krasimir Tsigularov: "Nostalgia for Communism"]

[Text] Income indexation is again becoming a major topic of discussion by our politicians, and the finance minister has found himself under heavy siege. While the Socialists' leader, Zhan Videnov, described his resistance to doling out money as a piece of impertinence typical of a tax collector, the main figures in the blue [Union of Democratic Forces, SDS] coalition have adopted an openly populist socialist terminology, and the sparks are flying in the Council of Ministers itself. In most cases the politicians are playing with people's primitive feelings, failing to take account of the fact that a breakdown in income policy would be just as dangerous as the collapse of the deals and agreements with our foreign creditors.

In 1992 and part of 1993 the income policy was allowed to slip out of control, and in some cases the level of indexation exceeded the level of inflation. This leads to an increase in the budget deficit and fuels inflation. The loans that still burden our enterprises, which are largely not working, are eaten up in higher wages, yet they soon fall under the heading of "bad credits" and constitute one of the causes for the total ruin of the economy.

The politicians have to choose between nostalgia for communism and the survival of the state and, in the final analysis, of the nation itself. For the time being, they prefer nostalgia.

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Report Analyzes Latest Unemployment Figures

AU2707131594 Prague HOSPODARSKE NOVINY in Czech 25 Jul 94 p 7

[Article by "(ZI)": "Trends in Registered Unemployment in the Czech Republic"]

[Text] A slight fall was recorded in registered unemployment in June. A total of 160,098 people were registered at labor offices on 30 June. This represents, compared with the previous month, a fall of 1.5 percent. In absolute terms, the fall recorded in June amounted to 2,392.

During the course of June, 30,300 people applied for help in finding employment. This is roughly 3,000 more newly registered job seekers than in May. A total of 32,700 people were removed from the register. Of this number, the labor offices found employment for 10,100 (31 percent); 14,600 (41.6 percent) found employment through their own effort. Some 3,300 (10.2 percent) were removed from the register for not complying with the conditions of cooperation with the labor offices; the remainder (5,600) were removed for other reasons (maternity leave, retirement, and so on, or they were placed temporarily in schemes beneficial to the public).

A month-to-month rise in unemployment was recorded by labor offices in 24 districts first and foremost because recent school graduates have entered the labor market. The more substantial increases were reported by the Jablonec nad Nisou (8.2 percent), Hodonin (7.0 percent), Pribram (5.2 percent), and Pelhrimov (4.8 percent) Districts. The highest relative monthly reductions were recorded by the Znojmo (13.5 percent), Breclav (12.8 percent), Tabor (8.0 percent), Cesky Krumlov (7.9 percent), Jindrichuv Hradec (7.8 percent), and Bruntal (7.3 percent) Districts.

The percentage of women in overall unemployment is continuing to rise. On 30 June, they accounted for 58.1 percent of the unemployed (compared with 57.6 percent in May), which is the highest percentage this year. It is, however, comparable with the same period of last year.

The number of school graduates seeking their first jobs through the labor offices rose by 2,200 in June. So, the overall number of school graduates seeking employment amounted to 17,100 on 30 June. This is 10.7 percent of the total number of unemployed. With the exception of graduates of elementary and grammar schools, an increase was recorded at all educational levels. The largest relative increase, however, was recorded among college graduates, whose number, compared with the situation at the end of May, had more than doubled (512 college graduates in May, 1,045 in June).

Some 74,200 job seekers were collecting material support on the aforementioned date. This represents 45.1 percent of the total number of registered unemployed.

Some 1,900 job seekers were undergoing retraining at the end of June.

The level of registered unemployment (calculated from the data on employment from the VSPZ [College of Political and Social Sciences] and the registered unemployed at labor offices on the date monitored) has stagnated and, on 30 June, was 3.1 percent. The highest unemployment was recorded in the Novy Jicin (7.2 percent), Bruntal (7.0 percent), Karvina (6.6 percent), Louny (6.2 percent), and Prerov (6.1 percent) Districts. Unemployment of more than 5.0 percent was recorded in another nine districts. The lowest level of unemployment was recorded in Prague (0.3 percent), Cheb (0.5 percent), Prague-West (0.7 percent), Prague-East and Karlovy Vary (0.8 percent), and Plzen-South and Jablonec nad Nisou (1.0 percent).

The number of vacancies listed at labor offices has been rising steadily this year. By the end of June, they amounted to 78,500, which is 4,400 more than in the previous month. On average, there were two job seekers per vacancy.

Job Seekers and Vacancies on 30 June 1994

Region	Unplaced on 31 May	Newly Registered	Removed	
			Total	Number Placed
Prague	1,638	670	766	469
Central Bohemia	15,433	2,937	3,012	2,301
South Bohemia	7,513	1,679	1,955	1,366
West Bohemia	9,877	2,096	2,190	1,533
North Bohemia	24,813	4,243	4,537	3,333
East Bohemia	15,264	2,866	3,208	2,456
South Moravia	33,153	6,283	7,266	5,298
North Moravia	54,799	9,491	9,723	6,977
Total	162,490	30,265	32,657	23,733

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Region	Unplaced on 30 Jun	Number Collecting Contribution	Total Vacancies	Rise in Job Seekers (percent)
Prague	1,542	928	15,522	- 5.9
Central Bohemia	15,358	8,089	9,104	- 0.5
South Bohemia	7,237	4,113	6,757	- 3.7
West Bohemia	9,783	4,142	7,283	- 1.0
North Bohemia	24,519	9,296	9,114	- 1.2
East Bohemia	14,922	7,545	11,742	- 2.2
South Moravia	32,170	15,782	10,088	- 3.0
North Moravia	54,567	22,302	8,875	- 0.4
Total	160,098	72,197	78,485	- 1.5

Region	Level of Unemployment in Percent
Prague	0.3
Central Bohemia	2.8
South Bohemia	2.0
West Bohemia	2.2
North Bohemia	4.0
East Bohemia	2.4
South Moravia	3.2
North Moravia	5.6
Total	3.1

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Kanis Talks With New Indian Military Attache

AU2707161494 Bratislava SLOVENSKA REPUBLIKA in Slovak 26 Jul 94 p 2

[TA SR report from the "In Brief" column]

[Text] Defense Minister Pavol Kanis held talks yesterday with the new Prague-based Indian military and air attache, Colonel Jaspal Singh Gujral. They concentrated on issues associated with the visit made to Slovakia by Indian Minister of State for Defense Mallikarjun, who toured several heavy machine tool enterprises.

New Romany Party Meets for First Time

AU2707153694 Bratislava NARODNA OBRODA in Slovak 25 Jul 94 p 2

[TA SR report: "A New Romany Party"]

[Text] Poprad—The first congress of a new political entity, the Party of Romanies of Slovakia (SRS) [Strana Romov Slovenska], has been held in Poprad. The party has distanced itself from the Romany Civic Initiative (ROI). As opposed to it, it does not recognize nationality and is determined to resolve Romany problems along with the majority nation. The party has not been registered yet.

Distances Itself From Parties

AU2707153494 Bratislava NARODNA OBRODA in Slovak 25 Jul 94 p 2

[TA SR report in the "News" column: "Two Romany Blocs Have Been Formed From One"]

[Text] "We are distancing ourselves from the Romany Civic Initiative (ROI—chairman, Jan Kompus) and the Party of Romany Integration (SIR—chairman, Koloman Gunar). We have accepted places on the slates of other parties." This statement was made in Kosice by Tibor Matta, chairman of the Romany Congress movement, a day after the Pan-Slovak aktiv involving Romany political entities.

Entrepreneurs Party Chooses Election Candidates

AU2707154694 Bratislava SME in Slovak 25 Jul 94 p 2

[Article by "(asa)": "The Party of Entrepreneurs and Tradesmen Will Go Into the Elections With the Democratic Party"]

[Text] Dolny Kubin—The Party of Entrepreneurs and Tradesmen [SPZ] congress has decided on the party's candidates for the parliamentary elections. Party Chairman Vladimir Randa said in an interview with SME that it was agreed that it will go into the election with the Democratic Party. It still has to discuss the form of cooperation.

The party's leaders in Bratislava are Pavol Prokopovic and Jozef Gajdosik; in East Slovakia, Jan Vaskovic and Adolf Zajac; in Central Slovakia, Vladimir Randa and Kamil Duris; and in West Slovakia, Ivan Sykora and Karol Jenis. The SPZ wants to appeal to voters from among the ranks of entrepreneurs and tradesmen, in particular, while concentrating on the problems that affect the private sector. A scheme for ecological projects—water plants, sewage systems, and sewage treatment plants in the individual regions—forms part of its election program.

KSU Suspends Membership of Anti-Klepac Faction

AU2707163594 Bratislava SLOVENSKY DENNIK in Slovak 26 Jul 94 p 2

[Article by "(vg)": "The Membership of Kunc's Faction Has Been Suspended"]

[Text] There will be no factions within the Christian Social Union (KSU), declared its chairman, Jan Klepac. At the same time, he briefed correspondents on the outcome of the 23 July KSU Pan-Slovak Council meeting at which the factional activity of KSU members was criticized, the list of candidates for the parliamentary elections was approved, and new KSU Presidium Council members were elected. The Pan-Slovak Council decided to suspend the activity of 14 of its members in the Union; two of them had already resigned voluntarily. "As of Saturday, these people cannot speak on behalf of the KSU—only as private individuals," emphasized Chairman Klepac. The suspension of membership will last until the next assembly, which will be held at the end of the year. According to Klepac, factional activity always weakens a party, but, in the Union's case, the strength and internal resistance of the membership base has been "tested." In his opinion, this is an encouraging sign for the parliamentary elections.

He also referred to a meeting organized by the Kunc faction. Of the 1,500 delegates invited, only 43 took part. Chairman Klepac also said that B. Kunc obviously needed to charm the representatives from the Slovak National Party (SNS). That he did not succeed in this is borne out by the fact that the representatives of his faction were given places on the SNS slate behind its district leaders. "If these places are the result of the political realism and pragmatism that the signatories spoke about at their press briefing last week, Kunc's political line has simply failed," he added.

KDH Head on Party, Associates in Election

AU2707163894 Bratislava NARODNA OBRODA in Slovak 27 Jul 94 pp 1, 3

[Interview with KDH Chairman Jan Carnogursky by Julius Gembicky; place and date not given: "Jan Carnogursky: If the Wild Privatization Were Published in a White Paperback, It Would Be a White Book"]

[Excerpts] Bratislava—*Because conditions in the Christian Democratic Movement [KDH] may seem the most*

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consolidated, and the movement's support is growing despite the entry of the candidates of the Permanent Conference of the Civic Institute [SKOI], the KDH has somehow avoided the attention of the public. Our interview with KDH Chairman Jan Carnogursky should fill this vacuum.

[Gembicky] The popularity of the KDH keeps growing despite a certain tension among its members and supporters resulting from the coalition with the Party of the Democratic Left [SDL]. It also had a bad start with SDL supporters. If this coalition is to continue after the election, what points of friction can one assume between the KDH and the SDL?

[Carnogursky] The reasons for the growth in the KDH's popularity and the decline in support for the SDL are much more complex than just our coalition association. To answer your question, however, it seems that our supporters understood the necessity for this coalition better than the SDL supporters. Moreover, the SDL is a party with definite characteristics and a clear identity. The formation of the left-wing quartet just a few months before the election was a risky undertaking, and, so far, it has not worked in Slovakia. It did not work out when the Democratic Party attempted to unite the right wing. I myself am a little surprised that it does not work for the left wing, either. I attribute it to the diminished specificity of any such bloc, and there is not enough time before the election to convince the voters of its identity. The points of friction between the KDH and the SDL might be the idea of support for various types of agricultural producers, the extent and form of privatization, and the equaling of state and church schools. [passage omitted]

[Gembicky] Why did you refuse to cooperate with the Christian Social Union, with the Klepacites? It will be a waste if these votes do not count.

[Carnogursky] It is the same problem as in my answer to your first question. It must be completely clear to the voters before the election what the political orientation of the party is and what they are to expect from it after the election. We have acquired the image of a political entity that consistently promotes the transformation of the economy and society from socialism to democracy and the market economy, even with the opposition to Meciar's cabinet. The Christian Social Union was rather supportive of Meciar's government.

[Gembicky] You have been one of the active critics of liberalism and defenders of conservatism in the country. Nevertheless, you agreed to SKOI candidates joining your slate. Will that not turn into another source of anxiety?

[Carnogursky] True, the SKOI candidates are on our slate, but, according to the agreement, after the elections, they can proclaim themselves independent or form their own club, if there are at least five of them. Moreover, SKOI considers itself rather a conservative entity—albeit with liberal elements, of which it has more than the KDH. We have sent signals from the beginning that we are also open to other elements in society, including liberal ones. I have not changed any of my criticism of liberalism. Nevertheless, I do not perceive it as a contradictory, administratively exclusive measure. On the contrary, I wanted to prove by the criticism that the KDH is not afraid of an open confrontation of opinions with liberalism. Such a confrontation is necessary, and it should be won by ideological means. [passage omitted]

[Gembicky] Although, according to Vladimir Meciar, you have been consigned to the dustbin of history, the popularity of the KDH is growing. To what do you attribute this? Is it because of the work of your ministers in the government or, rather, the consistent, transparent, and conservative policy?

[Carnogursky] The emergence of the independent Slovak Republic also has an emotive charge. There are many citizens who assess political decisions in an emotive manner without linking them to their consequences. It takes them a while before they realize that our stands are in harmony with the interests of Slovakia rather than the opposite. Our ministers work well, although they do not describe themselves as the ministers of the wisest government. [passage omitted]

Cabinet Approves Bill on Privatization Funds

AU2707163294 Bratislava PRAVDA in Slovak 23 Jul 94 p 2

[Article by "ml": "The Obligation To Document the Source (of Money)"]

[Excerpt] Bratislava—The Government of the Slovak Republic met yesterday in an extraordinary session under the chairmanship of Prime Minister Jozef Moravcik to discuss a single item on the agenda—the bill obliging documentation on the source of the finances used in privatization. After a discussion lasting more than an hour, the Cabinet approved the bill, with minor changes.

The text defines in seven articles who must document the source of the money to be used in large-scale privatization, as well as how and to whom. Every buyer will have to submit an affidavit in which he identifies the source of his money and proves it by documents specified in the law. They can be a receipt from the tax administration for the payment of taxes on these funds; a letter from the bank providing the loan, credit, or promise of a loan; and, possibly, other documents the law lists. In the event that the obligations arising from the new bill are not satisfied, the transfer of property in privatization will be an absolutely invalid legal act. [passage omitted]

HP Leader Unhappy About Nonapproval of Law

AU2707140294 Bratislava SME in Slovak 23 Jul 94 p 3

[Article by "(dos)": "Farmers' Movement: Agriculture Is Sinking To the Bottom"]

[Text] Bratislava—Farmers' Movement [HP] Chairman J. Klein, speaking at a press briefing held yesterday by

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the left-wing coalition Common Choice (Party of the Democratic Left, Social Democratic Party in Slovakia, Green Party in Slovakia, and the HP), expressed his disappointment at the nonapproval of the amendment to the law on transforming the cooperatives. In his opinion, the law on transforming the cooperatives is a bad one, and its aim was to break up the cooperatives. Deputy J. Varju, of the National Council of the Slovak Republic, briefed reporters on the deputies' draft amendment to the law on transforming the cooperatives, whose principles are identical to the nonapproved government draft but also contains the comments that were made during the debate in the committees and in the parliamentary plenum. According to Klein, Slovak agriculture is sinking to the bottom. This is being manifested by a reduction in output and by increased unemployment in agriculture. He described the "un-Christian rate of interest on the credits granted to agriculture and the National Bank of Slovakia's high discount rate" as the reason for the agricultural cooperatives' insolvency.

Statistical Office Surveys Confidence of Citizens

AU2707165494 Bratislava SLOVENSKA REPUBLIKA in Slovak 26 Jul 94 p 2

[Article by "(st)": "The Citizens' Confidence in the Most Important Institutions"]

[Text]

Confidence in the Slovak President (in percent)

	Confidence	No Confidence	Cannot Say
Mar	73	21	6.0
Apr	56	38	6.0
Jul	63	31	6.0

Confidence in the Slovak Government (in percent)

	Confidence	No Confidence	Cannot Say
Mar	34	55	11
Apr	54	39	7.0
Jul	52	40	8.0

Confidence in the National Council (in percent)

	Confidence	No Confidence	Cannot Say
Mar	29	59	12
Apr	40	50	10
Jul	44	47	9.0

Some 1,254 citizens over age 18 took part in the public opinion poll conducted by the Slovak Statistical Office in July. They make up a representative sample of the adult population from the point of view of sex, age, education, nationality, size of community, and region of Slovakia.

Editor's note: The credibility of each survey undoubtedly increases if we compare two different entities and not just the same one. In its July survey, the Statistical Office was interested in the citizens' confidence in official institutions. It would certainly interest the citizen if, at the same time and in the same place, he could compare the rise or fall in popularity of the president with that of the leader of the opposition, for example, and so on. Compared with the beginning of April, the citizens' confidence in the president and parliament, which had declined rapidly compared with March, has increased. Confidence in the current government is approximately the same as when it entered office.

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Defense Minister Cited on Budget Situation

LD2707163494 Budapest Kossuth Radio Network in Hungarian 1000 GMT 27 Jul 94

[Excerpts] Defense Minister Gyorgy Keleti promised a reduction in the number of troops in the Army and a more thrifty defense system immediately after taking office. His concepts—in other words the basic principles of the new government's defense policy and its short- and long-term crisis management program—were outlined to the press corps today. Levente Suekoesd reports.

[Begin Suekoesd recording] In the future, the Hungarian Army will play a smaller role in terms of security policy. The new government will provide a greater role for a confidence-building foreign policy; they will endeavor to guard the relative stability of the country through the conclusion of treaties with other states, Keleti said. [passage omitted]

The ministry calculates that its annual expenditure will be 69 billion forints in 1994, of which 7.2 billion is not yet covered by revenue. Through the efforts of the ministry's managers to find ways of saving money this 7.2 billion could be cut to 3.5 billion. However, revenue to cover this sum must be found because the ministry cannot reduce this figure any further through better management.

Gasoline consumption, and new recruits will be reduced but the ministry is not willing to save money at the expense of the soldiers' quality of life. [passage omitted]

The ministry owes 660 million forints, and efforts are being made as soon as possible to pay for the various services rendered. [passage omitted] For example, 115 million forints are owed to the Danube Aircraft Engineering Factory. The largest cause of concern is that the ministry has exhausted all its reserves in the past four years. Even the shirts off our backs—we have no uniforms for the new recruits, for example, Defense Minister Gyorgy Keleti said. [end recording]

Security Service Official Interviewed

LD2707174594 Budapest Kossuth Radio Network in Hungarian 0445 GMT 27 Jul 94

[Interview with Bela Katona, minister without portfolio in charge of the secret services, by unidentified announcer at the Kossuth Radio studio in Budapest; from the "Morning Dialogue" program—live]

[Excerpts] [Announcer] Our guest this morning is Bela Katona, minister without portfolio in charge of secret services. [passage omitted]

Two civilian secret services are under your supervision: the National Security Office and the Information Office. What do these do?

[Katona] The National Security Office has three main features. One of these is the classic counterintelligence work that tries to prevent important information related to the country's most essential interests from falling into unauthorized hands, primarily foreign hands. The other part of its work is the defense of the Constitution; it tries to ensure that various extremist groups or organizations are not able to overturn by violent means the tenets and spirit of the Hungarian Constitution. The third area, which is the latest in the range of its activities and started up in effect after the 1990 reorganization, is concerned with terrorism, organized crime, and drug consumption.

The Information Office—I think that everybody will understand better the things I am talking about if I use the term intelligence gathering here—tries to obtain, primarily abroad, information that is important for the national interests to ensure that the country's appropriate decisionmakers are always kept in the picture and know precisely about the kind of dangers that threaten, possibly from the outside, the country's interests. [passage omitted]

[Announcer] You have mentioned that decisionmakers receive reports about the information gathered. [passage omitted] How often, in what form, and who receives briefings on the work of these offices? Who decides who is to be briefed?

[Katona] This is decided, in effect, by the government in office. The country's leading constitutional office holders receive these reports: The prime minister, the president of the Republic, the speaker of the National Assembly, and the ministers, who receive them specially selected, naturally. Not all ministers get all secret service reports. [passage omitted] A briefing is provided to the National Security Committee of the National Assembly, too.

[Announcer] Have you the right to send certain documentation to persons who are not on this list?

[Katona] In principle I have the right to send materials to those who are not on this so-called distribution list but hold a post that compels them to observe the official secrets act, and it does happen occasionally when we receive special information that is particularly relevant to the given sector. In such a case we contact the person either in writing or verbally and clear up the matter. Since I have taken office nobody has complained of not having information he deemed necessary.

[Announcer] Have foreign intelligence services recruited Hungarian citizens recently?

[Katona] Yes. Naturally they have. This process has not stopped in Hungary. Very many foreign intelligence services still operate here. However, I can say that these recruitments—according to our surveys on those about which we have knowledge—are not on such a scale that they would pose too much danger. A proportion of these we are familiar with, anyway.

[Announcer] The actions of what kind of Hungarian citizen are followed with attention by the domestic secret service? Who is followed, who is bugged?

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[Katona] I am very glad you asked this question. Those persons suspected of terrorism, who may be suspected of drug pushing, who may be assumed to lead a life of organized crime, participating in organized crime gangs, are followed. Ordinary citizens leading a decent life are not followed, watched, or bugged. [passage omitted]

[Announcer] Allegations appear in the press sometimes, and people said to have been affected make statements that they are bugged or followed.

[Katona] [Passage omitted] When I took office I looked into the possibilities and the modes in which the office could bug anybody. There are incredibly strict legal regulations in this respect. Any bugging of this kind can be authorized personally only by the justice minister. I also looked into the many cases when politicians in the past period put it about that they were constantly bugged. There has not been one single bugging of such a political nature in recent years.

[Announcer] What kind of Hungarian citizens have dossiers kept on them? What is the nature of the information held in these files?

[Katona] Files are kept on those who belong to the groups mentioned above; suspected of crime, or spying, or membership in organized crime groups. The dossiers contain data on their activities in these respects.

[Announcer] Sometimes it is claimed in the press that there is a file on everybody in Hungary.

[Katona] Fortunately there is not. [passage omitted]

[Announcer] Have you looked into files kept on individuals?

[Katona] No, I do not concern myself with reading files of individuals. At most, I know about the cases, the bigger cases that are being proceeded with. It is not my task and I do not have an unhealthy curiosity to bury myself in other persons' dossiers. [passage omitted]

[Announcer] Mr. Minister, it is alleged that harmony between the secret services and police is not perfect, unnecessary rivalry often occurs. Is this true?

[Katona] Well, perhaps this is not quite true. I say that there is healthy rivalry that is necessary, but sometimes there are clashes in the overlapping areas. I met Interior Minister Gabor Kuncze last week and we decided to do everything in our power to remedy this. There is going to be a meeting on Friday [29 July] between the leaders of the Interior Ministry, the national police commander, and the leaders of the National Security Office to clarify these matters.

[Announcer] How close is the cooperation between the Hungarian secret services and the intelligence services of other countries? [passage omitted]

[Katona] Primarily, cooperation is based on the exchange of information. [passage omitted] A special part of the cooperation regards the use of secondhand technical equipment. I think it is an acknowledgement of the standards of the Hungarian secret services that we already have one or two partners with whom we were able to accomplish the joint development of such technical cooperation. These involve various technical equipment.

[Announcer] Mr. Minister, is it true that Hungary became the Mecca of spies coming from all over the world, partly because of the raging Yugoslav war nearby, partly because of the sometime volatile Eastern European political and economic situation, and also because of the open Hungarian borders?

[Katona] Well this is a bit of an exaggeration. However, it is certain that intelligent officers of the various organizations are present in Hungary to a much larger degree than earlier. For as a consequence of the situation described by you, the fact is indeed that we are the first calm island in a vast region. It is safe to meet here for the agents, to conduct talks. Up to a certain point this does not interfere with the country's interests. However, precautions have to be taken that Hungary does not become a battleground where these organizations settle accounts with each other. This sort of thing has not happened yet. Our counterintelligence tries to follow events and should these sorts of trends and developments occur, we will take the necessary steps via diplomatic channels.

[Announcer] What interests the foreign intelligence agents in connection with Hungary?

[Katona] Naturally, intelligence gathering takes place vis-a-vis Hungary, too. Obviously the requirements have changed regarding us, since the time when Hungary was a member of the Warsaw Pact, they tried to obtain military intelligence. A foreign intelligence agent today is much more interested in Hungary's economic situation, currency reserves, and technology. [passage omitted]

[Announcer] Do you know who the foreign agents are, do you know their names, addresses, and their movement?

[Katona] It would be an exaggeration to say that we know about all of them, but naturally, we have a certain amount of information. [passage omitted]

[Announcer] When is the National Security Act expected to be adopted and what will it contain?

[Katona] I very much hope that the National Security Act will be adopted within the year. We will be able to submit the bill to parliament at the end of September, the beginning of October. Unless the budget debate occupies the whole of the autumn session, the act could be adopted before the end of the year.

At the moment the most important instructions regarding the operation of the secret services are contained by various government decrees. The essence of this new law is to compile the tasks, rights, and legal guarantees in one unit.

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[Announcer] You mentioned the budget law. I think that the level of technical preparedness of Hungarian secret services depends on resources. What is that like?

[Katona] This is a typical Hungarian situation again. Because of lack of funding we are unable to keep up with the technological development taking place elsewhere in the world in this area. As the listeners probably know, this field is where the state-of-the-art technology is deployed. But we are able to supplement the lack of funds with the good old gray cells. However, there is a limit to this. [passage omitted]

[Announcer] There were reports earlier that many people left these secret service offices, particularly out of political considerations. Has this process stopped now?

[Katona] Leaving for political reasons has stopped. This happened in 1990 as a result of the change of regime. The then government removed some of the leaders from both organizations, which was a pity because there were some very good professionals among these people. However, in the past three years a greater number of persons have left for existential reasons. Unfortunately, they were young and well-trained professionals. I think it will have to be clear to the government and public alike that it is impossible to expect these persons to stay in their jobs purely out of professional loyalty and love of the job. Financial reward that is indispensable in this important field also has to be ensured. [passage omitted]

In the past three years several hundreds of persons left. I think that we have to consider this very seriously and create the conditions for stabilizing the team of existing good experts. [passage omitted]

Foreign Minister Views New Appointments

AU2707161594 Budapest NEPSZABADSAG in Hungarian 27 Jul 94 pp 1, 3

[Interview with Foreign Minister Laszlo Kovacs by Pal Lederer; place and date not given: "Twenty Ambassadors Will Return"]

[Text] [Lederer] Last time we spoke was before your inauguration. Since then you have taken control of the ministry at Bem Quay. What kind of mood did you find there, and did it meet your expectations?

[Kovacs] After taking office, I met the ministry's middle management at a conference of departmental heads and informed them of the foreign policy priorities of the new government and talked about my expectations from the ministry's leaders and workers. Political State Secretary Ivan Szent-Ivanyi and Ferenc Somogyi, who is soon to be appointed administrative state secretary, were introduced here, and Administrative State Secretary Janos Martonyi said his farewells. I felt that the departmental heads received the information positively. On 2 August, we will hold a meeting on all these issues for the whole ministry, and a conference of ambassadors the following day where [Prime Minister] Gyula Horn will speak.

[Lederer] According to our information, there was a ministerial conference on 25 July. Are the contents of this public?

[Kovacs] Before answering this, let me react to an article in your newspaper that complains that the Foreign Ministry's leaders were not available on 25 July and did not give out any information. We were not available because we were holding a half-day ministerial session; we are not at all closed to the media. It has never been a practice to give out information on these closed meetings and we are not planning to change this. Naturally, the topics are not a secret. We made a decision on these conferences, their agenda and their participants, and we overviewed the situation of mission leaders, including ambassadors and chief consuls. It is known that the four-year term of some ambassadors and chief consuls has just expired or is to expire now, so we had to decide whether to recall them or renew their tours. We had to examine in which cases the extension of service is justified, and we had prior consultation on possibilities to fill the vacant positions. We also reviewed the situation of the ministry's internal management.

[Lederer] Can you tell us who will be recalled?

[Kovacs] I would not like to mention names at the moment because we are sending the telegrams tomorrow and we would not consider it proper for the ambassadors to learn about their recall from the newspapers.

Naturally, in most cases, it will not be a surprise because my predecessor, Geza Jeszenszky, indicated the recall to most of the ambassadors affected.

[Lederer] I believe that the recall does not mean automatic dismissal from the ministry?

[Kovacs] Not at all, except in the case of those ambassadors who were specifically employed for foreign service from the beginning—and some of these people are indeed coming home now. They will return to their former workplaces in accordance with the agreement made with them four years ago. Out of the 93 mission leaders, some 20 are returning home for good, and the four who have submitted their resignations in the past few weeks are among them. We confirmed the previously decided recall of eight mission leaders, and we decided on the recall of another eight—the four-year assignment of most of the latter is expiring now or they are way over retirement age. I would like to emphasize that political considerations did not play a role in the recalls.

[Lederer] According to our information, a decision was also made on new deputy state secretaries.

[Kovacs] This is true. However, I do not think that I will violate the interests of supplying information if I announce the names only at next week's ministerial meeting. I can tell you that we have found a successor for the resigned Ivan Baba, and two other deputy state secretaries, in complete agreement, will take up important ambassadorial positions—one in the coming weeks

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and the other in the autumn. They will both be replaced by career diplomats returning from ambassadorial missions.

[Lederer] We have read in the newspapers that, according to Industry and Trade Minister Laszlo Pal, the trade mission will remain with the Industry and Trade Ministry. Can you confirm this?

[Kovacs] The coalition agreement and the government program both mention that, after the abolition of the Ministry of International Economic Relations [NGKM], economic diplomacy activities will belong to the Foreign Ministry. The trade missions that used to be supervised by the NGKM deal with economic diplomacy, trade development, and promoting concrete business deals. Economic diplomacy would come under the Foreign Ministry's jurisdiction, while it is indeed unjustified for us to oversee trade development activities. We have to find a structure that satisfactorily solves the division of these two areas of activities. Coordination between the two ministries on the level of administrative state secretaries has just begun today and we will submit a joint stance to the government for a decision. We would like to resolve this issue by not causing disturbance in the activities of the trade missions and not causing the experts uncertainty.

[Lederer] What are your first impressions on the Slovak draft of the basic treaty?

[Kovacs] Our Bratislava ambassador brought the draft with him on 23 July and the ministry's relevant departments immediately began to study it. When the draft was handed over, the two sides agreed that they would not make statements on it in the media, and would not formulate views on the draft in the press. I will suggest that we have a bilateral discussion of experts on the draft in the coming days. At the meeting of prime ministers on 5 August, they will be able to lay down the agreement that will have been achieved by then at the expert meetings, and they can instruct the experts to bridge the differences that will also have come to light by then. The issue of the basic treaty will be part of next week's summit in this sense.

[Lederer] The opposition criticizes the government's Bos-concept.

[Kovacs] The government does not at all intend to withdraw the lawsuit at The Hague, as is claimed by the opposition. We look upon The Hague as a long-term process in which the court will assess the events. However, due to the situation of the Szigetkoz, we consider a temporary agreement on the distribution of water very urgent. This cannot wait for The Hague's decision. According to the government, we have to find a solution in such a way that would not endanger our position at The Hague.

[Lederer] What can the prime ministers do at next week's meeting in Bratislava?

[Kovacs] They can certainly give a political impetus to the experts to find the necessary compromise.

[Lederer] The opposition also criticizes the government, claiming that it decided the issue on Tuesday and it will only consult the environmentalist movements afterwards....

[Kovacs] This only shows that certain opposition politicians are not even clear about the government's work schedule. Government sessions have been held on Thursdays for years and the new government has not changed this, either. Therefore, the issue will come to the government after the consultation on Wednesday, at which we will also consider the results of today's consultation with the prime minister, the environmental minister, the environmentalist movements, and the mayors of the Szigetkoz.

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Military Plane Fires on Russian Yacht

LD2707175794 Warsaw PAP in Polish 1708 GMT 27 Jul 94

[Text] Gdansk, 27 Jul (PAP)—On the morning of 23 July, a Polish military aircraft fired at the yacht Baltica, sailing under the Russian flag seven nautical miles west of the port of Ustka and two nautical miles offshore, Captain Grzegorz Gorynski, spokesman of the Border Guard Naval Section [MOSG], told PAP today. The MOSG findings and the report by the skipper of the yacht indicate that it entered a sea area closed to navigation because of military exercises.

There were 10 people aboard the yacht. No one was injured and the yacht was not damaged.

Information about the closing of the sea area had been broadcast by Polish Radio and the Main Maritime Office radio. It is surprising that the skipper of the yacht was not aware of the fact, Captain Gorynski stressed.

'Crisis' in Confederation for Independent Poland

WS2807105194 Warsaw ZYCIE WARSZAWY in Polish 28 Jul 94 p 4

[Article by Piotr Smilowicz: "Five Minutes Is Past?; Politicians of Various Orientations Agree That We Are Witnessing KPN's Final Act"]

[Text] *Six Sejm deputies have left the parliamentary club of the Confederation for an Independent Poland [KPN], the party suffered defeat in the self-governmental elections, while rank-and-file party members have been criticizing Leszek Moczulski and Krzysztof Krol more and more often. "It cannot be ruled out that changes will take place in the KPN," says Michal Janiszewski.*

After Tuesday's exclusion from the party of Leszek Smykowski, chairman of the Szczecin region, and of Piotr Aszyk, former chief of the Gdansk region, there are just 16 Sejm deputies left in the KPN Parliamentary Club. Is the crisis in the KPN getting worse?

Politicians of various orientations are in agreement that the KPN has already had its "five minutes" of fame and that what we are witnessing now is the party's final act. When talking about the "five minutes," they must be referring to the First Term Sejm, in which the KPN had 55 members of parliament and was a partner in the negotiations on the establishment of Jan Olszewski's and Waldemar Pawlak's governing coalitions, even though, in both cases, the negotiations produced nothing. It was then that the KPN acquired the "perpetual opposition" label.

There are half as many Sejm deputies for the KPN in the Second Term Sejm.

From the very beginning of the current Sejm term, the party had problems finding its place on the Sejm scene. The right wing rejected the KPN's proposal that the party become its "parliamentary beachhead," and increasingly more criticism could be heard among the party rank and file over the "family/chief" [Krol is Moczulski's son-in-law] type of leadership, as well as over a party program that is "primarily based on contradicting things or unrealistic rubbish." Rank-and-file KPN members were critical of the lack of the possibility to express criticism or at least control the center's decisions.

"I agree that there are problems within the KPN, but we are witnessing such problems in all of the parties," says Michal Janiszewski, chief of the KPN Central Management of Current Action. "The multitude of election campaigns over recent years caused clear symptoms of fatigue on the political scene, so we are not the only ones stricken by the crisis," says Janiszewski.

The decision by the Political Council imposing an obligation on KPN Sejm deputies to transfer to the party center the money they have been received for the activities of the Sejm deputies' bureaus could prove the most significant of all, in terms of its impact. Opposition to the obligation became the main reason for the exclusion of Sejm Deputy Tadeusz Gasiennica-Luszczek, followed by Jan Skrobisz, Robert Koscielny, Andrzej Czajka, and, finally, Smykowski and Aszyk.

"People in all voivodships voted for KPN, while we have just 22 Sejm deputies. The only way to maintain a bureau in every voivodship is to be able to use the center's finances," Janiszewski stresses. "If there is someone who wants to stuff money into his own pocket, we must apply the appropriate sanctions because that is a breach of party interests."

After the defeat in self-governmental elections, there has been open talk in the KPN of a need to change the leadership. Krzysztof Krol, chairman of the KPN Parliamentary Club, is being attacked most. He is being accused of arrogance and a conviction of his own infallibility. Leszek Moczulski, popularly described as "chief," is also losing his moral authority.

"You just cannot rule anything out," says Janiszewski. "You could convene an extraordinary party congress, or you could make staff, program, or statute-related changes. With that goal in mind, however, there must be somebody to come up with a reasonable alternative," Janiszewski adds.

Writer Notes 'Complete Chaos' in Freedom Union

WS2807093094 Warsaw ZYCIE WARSZAWY in Polish 28 Jul 94 p 2

[Commentary by reporter and sociologist Pawel Spiewak, under the "Points of View" rubric: "UW in Trouble"]

[Text] The Polish political system is based on political parties, with the ever decreasing role of employee organizations or unions, employers, corporations, or regions. It is parties that determine the allocation of posts,

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formulate programs, and set tactical goals. It is only through parties that extrapolitical institutions could acquire influence over the public sector, the distribution of budgetary means, legal measures that would be beneficial to the institutions, access to government contracts, or the distribution of various types of concessions and privileges. Parties jealously guard their privileged position, while erecting walls between themselves and the outside world and attributing to themselves the role of representatives of collective interests. Such an enormous role of parties in Polish politics (and as a result of that, in the economy as well) seems to be a permanent phenomenon, while the recent parliamentary and self-governmental elections only perpetuated the situation.

So the country's political fate depends primarily on what happens inside these parties and on what they decide to do about themselves. We are all dependent on the leaders of those parties, on their imagination, personnel decisions, and the privileges they will award to their supporters.

Political scientists have been predicting for a few months that there will occur a unification of the fragmented political scene and that the electoral laws will automatically imply the establishment of large, strong political blocs. The first step in that direction was made by the Democratic Union [UD], which merged with the Liberal-Democratic Congress [KLD] to form the Freedom Union [UW]. The right wing has been more cautious in its building of alliances and agreements, while not giving up on the organizational independence of individual parties. It seemed that UW chose the better path and that, by virtue of its sheer number of members, it would be capable of attracting more groups and new people. It turned out, however, that the accelerated efforts toward unity are causing UW's complete disintegration.

First, there is no way anybody can tell what, in fact, is the uniting factor within the party, aside from general declarations, recollections of days gone by when the activists were in the opposition against the Polish People's Republic, and social loyalty. On the other hand, what divides the party? Almost everything: the stand on the church and the Concordat with the Holy See, political tactics (to be in favor or against an alliance with the postcommunists?), the concept of social policies, the concept of state, and the concept of liberalism. Former KLD activists are in favor of a European-type liberalism, with strong emphasis on free market, privatization, reprivatization, and a severe reduction of the state's administrative powers. As for the value system, they tend to be in favor of a conservative stand and a tradition opposed to the extreme type of secularity. They want to form a party for residents of cities and towns, while Kuratowska's group has been using the language of U.S. liberals: It has been putting forward social-democratic proposals, and it looks as if it is unhappy with the Concordat. Let us add that the social liberals have been speaking in no uncertain terms about the establishment of their own political representation, and they have even set up an appropriate association toward the accomplishment of that goal.

The differences are not just over ideologies. One is entitled to assume that they are accompanied by conflicts between individuals. The dispute surrounding the allocation of key posts in the authorities of Warsaw's UW branch, as well as the Boni-Wielowieyski conflict, prove that internal frictions are ever increasing, and all signs indicate that the higher the posts that are involved, the higher the accompanying tensions will be. One can already distinguish several factions or groups present within UW.

In that case, what is the cost of maintaining UW unity? First, complete chaos with regard to the party's program. If I were to vote for UW nowadays, I would not know for what it is I am voting. I do not know what the party represents as a whole. That fact is not irrelevant for anybody who has at least some sensitivity when it comes to values. It is not irrelevant, either, for a party whose leaders have always spoken skillfully about ideological values and who confirmed the principles with their own lives. The complete disorder in the value system leads to another kind of chaos, and here is where we come to the other price of unification: Lack of a consensus prevents UW from taking a more or less clear position on any vital issue. What the party does like to do, however, is recollect its own projects (which have not lead to an election victory, anyway). In the view of many people, UW is simply fuzzy, vague, and undefined. The party has mastered the art of compromise to such a degree that, in many cases, nobody knows what the contracting parties were for and against in the first place. And the third issue: As the process of UW's internal diversification continues, internal and personal disputes seem to demand more and more of the activists' attention, and the entire human energy is devoted to resolving or alleviating the impact of these clashes within the party, with the net result being that there is no more stamina left to deal with anything other than the party itself.

In a word, UW comes across as a body that is paralyzed by internal tensions and conflicts and that is not capable of moving ahead, fighting for new members or for new ideologies. And the most important thing, UW continues to not have its own candidate for the post of president. All it can do is act in a very attention-absorbing manner in the Sejm from time to time, or criticize something in strong terms. In the meantime, UW's numerous opponents, from the Democratic Left Alliance all the way to the right wing, are taking pleasure in using the party's obvious weaknesses to their own advantage.

As it turns out, looking back at the past few months, the only thing the accelerated merger of UD and KLD did (perhaps there were more than two parties, given the division within UD and KLD) was make the disputes worse and activate the forces of disunity.

The conclusion from all of this is far from optimistic: The party system continues to be as weak as a few years back, while those who are looking for a pro-European, secular, morally credible, courageous, and clearly anti-communist party are justified in feeling increasingly lost. UW, do something about yourself!

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Iliescu Address on Regional Security, Cooperation

AU2707180994 Bucharest DIMINEATA SUPPLEMENT in Romanian 23 Jul 94 p 3

[Address by Romanian President Ion Iliescu at the Roth-Rose "Regional Security and Cooperation in Europe" international seminar organized by the Romanian Parliament and the North Atlantic Assembly in Sinaia on 15 July: "Romania's Role in the New Europe"]

[Text] The changes that have taken place in the structure of the international system at this turn of century—through the dissolution of the postwar bipolarity, the fall of the Iron Curtain, and the end of the Cold War—were felt most intensely in Europe. Germany's unification, the disappearance of the Soviet Union, and the accelerated evolutions or revolutions in the Central and Eastern European space have led to an intensive process of redefining international relations. The consequence of this process was the disappearance of tension in the heart of Europe, something that found its greatest expression in the confrontation between the opposed military blocs. It has also led to a relative homogenization of the continental political space, through the upgrading of democratic values, whose essence is political pluralism and respect for human rights, which has radically changed the face of Europe in a very short period of time.

To formulate an answer to the question "What is Romania's role within the new Europe?", I deem it necessary to try to elucidate the features of this Europe that has been reborn at this end of the millennium.

Projects for the organization of the European space have always been abundant and the most illustrious minds of the continent have spent much time thinking about them. From the "Schumann Project" to the "European home" and from the "Europe from the Atlantic to the Urals" up to the "Europe of regions," to take but a few examples from the postwar period, attempts to denote this geostrategic space uniformly as a strongly defined unit of civilization have not been lacking in either noble ideals or practical ideas.

The models of European construction have always had an inevitable dose of idealism. However, the tough reality that we are facing today obliges us to take as premises its intrinsic structures, rather than its rationalizing illusions. Today, although we have covered just the first sequences of the post-Cold War period, the reality presents itself much less linearly and homogeneously than we thought, a reality torn apart by conflicts and trends toward different evolutions.

Therefore, one can note that sources of conflict or various natural historical evolutions—such as the achievement of the right to self-determination of certain nations that were kept in a state of numbness by the totalitarian regimes and the great freeze of the Cold War—have broken out fast, leading to, among other things, the unparalleled drama in the former Yugoslav space, to the rapid dissolution of certain federal statal structures, the most significant example of which remains the former Soviet Union, and to the deepening of economic development gaps, along both the East-West axis and the North-South axis of the continent.

From a realistic perspective, which is increasingly finding its way in the political discourse of our days, one can ascertain that, four years after the start of the economic reform processes in Central and Eastern Europe, the difficulties to be surmounted and the economic and human resources required for implementing these changes, are far in excess of what had been imagined. In spite of the unequivocal option expressed by these countries to integrate themselves rapidly into the economic structures of the European Union [EU], this process is expected to take a long time, for reasons pertaining to the EU's own dynamics and the economic peculiarities of the candidates themselves. It seems that the expected answers to the stringent economic problems of Central and Eastern Europe have not even been worked out, let alone implemented in concrete action plans.

Nor in the sphere of security concepts have the existing structures—NATO, CSCE, the WEU [Western European Union]—come up with the necessary all-encompassing solutions, despite the fact that the effort to search for answers is more sustained and obvious in this field.

Therefore, from the prospect of realities, today's Europe seems to be at the stage of questions rather than answers. Still, reality cannot wait. People's lives demand action, since they have concrete needs and hopes as well as ideas and requirements that cannot be ignored. If we do not formulate these answers, they will be found anyhow, but then they will become the result of haphazard occurrences and of a lack of coordination, with few chances of meeting the needs.

Romania's place in this context is at the intersection of a series of particularities, from those pertaining to history and civilization on the one hand, to the condition of "frontier nation" in which the Romanian people have developed on the other, up to the social explosion which characterized the December 1989 revolution, through which Romania entered into this most dynamic period of rebirth.

First of all, through its historical and civilization characteristics, Romania is an integral part of Europe, both in the intellectual and geopolitical meaning of the word. Let us not forget that the "Eastern Europe" in which we were lumped together with others for almost half a century is basically an ideological label. With the disappearance of all relevance for this label, we can only return—mainly as a matter of conscience—to the condition of Europeans with full rights and obligations. Romania's acceptance onto the Council of Europe is probably the most eloquent institutional expression of this road to recovery that Romanian society has engaged upon these days.

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Second, the destiny of a "frontier nation," as the Romanians are, has been and is marked by our development at the confluence of important geostrategic and civilization spaces, such as the Russian space, the Western space, and the Oriental space defined by the Middle East-Black Sea axis. Although they all had common roots in the birth of ancient Europe, these three "subcontinents" confronted one another, most often in a futile attempt to impose their supremacy over the continent. On other occasions, however, they cooperated, thus giving birth to some miracles of spiritual and material creation.

The Romanian nation, being in contact with the three "tectonic plates" of the continent, survived and gave birth to a special intellectual and civilization matrix of outstanding creative vitality, which has always asserted itself throughout our historical stages. However, from a social and economic point of view, this posture— which was not at all advantageous to us, given the changes in the balance of power between the three poles—has occasionally moved us, as our national poet Eminescu said, from the outskirts of the Orient to the outskirts of the West, making us pay for this peculiarity of our historical destiny with serious delays in our economic evolution.

Finally, the social explosion of December 1989, which Romania had to experience in order to be able to open up the gates to a new modernity, has unleashed social and political processes of particular dynamics, with violent social convulsions, which created a certain negative perception regarding Romania's evolution. We are still paying the price for it today. This price is not measured, as some erroneously think, in the prestige quota of various politicians, but in economic opportunities either postponed or missed altogether, in distrust and suspicion regarding the real course of the change, and in the lack of vital cooperation projects. To maintain this "image of stagnation" further for Romania not only goes against the real course of reform in Romanian society, but it is also an ignoble and unjust act against the country's real interests.

Despite all these difficult conditions relating to Romania's past and present existence peculiarities, the process of rebuilding Romanian society, inaugurated by the December 1989 revolution, has already laid the democratic bases of a political system based on multiparty organization and the separation of the powers in the state. It has also proceeded to set up the institutions and structures specific to market economy relations. All this has been achieved or is in the process of being achieved against a background of a rewarding social stability, which does not mean either the disappearance of the political struggle within the constitutional framework or of the diversity of opinions and attitudes vis-a-vis the main problems of Romanian society. This is probably the most important gain that Romania has made through its own efforts; its importance can be better judged if we take a look at the difficult situation, armed conflicts, and major political tensions in the troubled region to which Romania belongs.

Of course, maintaining domestic stability is linked to international developments.

Unfortunately, the evolution of the Yugoslav crisis, particularly the way in which the European and international community has tackled this issue, contains a long series of mistakes of interpretation that were often acknowledged too late; of endeavors strongly to blame just one side; of attempts to impose by force solutions that were not sufficiently adjusted to the concrete conditions prevailing in the field; of hesitations and half-measures in dealing with stringent political, economic, and human problems; of lack of consistency and political support for the various stands expressed; and of lack of coordination and communication, even among the allies. Consequently, we are now witnessing not only an unacceptable prolongation of the armed conflict and human suffering, but also the maintenance of a real danger of the conflict expanding in the region.

The positive contribution that Romania has tried to make to solving this crisis was based on its privileged position as a disinterested partner accepted by all sides; on realism; on encouraging the sides themselves to find acceptable solutions of coexistence and tackle the painful process of the dismemberment of the state that Yugoslavia once was; and on abandoning the completely false idea that a solution can be imposed by force. We continue to believe that, proceeding from the need and advantages of good neighborliness, neighboring countries can play a positive role in resolving the current crisis—thus avoiding more serious consequences on the international plane—through the mere fact that they can give guarantees for observing the sovereignty and integrity of the states newly emerged in the space of former Yugoslavia.

For the first time in its history, Romania has another Romanian state—which has emerged in the dramatic conditions of the dismemberment of the former Soviet Union—as a neighbor on its eastern border. The respective process, accompanied by the residues of the maintenance of foreign troops on the territory of this new independent state, has led to the appearance of a hotbed of conflict, thus posing a direct threat not only to its territorial integrity, but also to peace and stability throughout the region. Similar situations can be found in other parts of the former Soviet state, with the same consequences. Since it is placed in the "area of contact" with this space, which is seriously troubled by "local conflicts," Romania probably has a sharper perception—than the countries in the West—of the dangers and negative implications of these developments for the continent's peace and stability. However, the resolution of all these problems requires a clearly expressed and concretely endorsed determination to apply the same standards everywhere and in all situations. To create precedents or "close one's eyes" when "double standards" are applied only gives the illusion of solving problems, since all it achieves is to actually create premises for new sources of conflict.

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The very rapid changes in Central and Eastern Europe and the extremely complex problems brought about by these changes require appropriate answers in due course, based on a structural concept of the evolution of security and relations in Europe and on a much needed change in mentality from both East and West. The mentality which inspires an attitude of permanent quarantine for "those in the East," as if the people there were permanently debilitated—or, as President Havel said, the mentality that causes these countries to be further treated as "former communist countries"—the tendency of recommending economic and political recipes which have never been proved in actual fact or which would be totally unacceptable even for the highly developed countries, and the trend again to view the relations among states from an ideological angle, thus creating false barriers and groupings, where cooperation should prevail, are the many obstacles to the effort to find the truly innovative solutions that the continent needs. We will achieve the necessary balance at the continental level when the countries in Central and Eastern Europe are treated as equal partners, both from a political and economic viewpoint. These countries are not like the "poorly developed" ones. They have an important economic potential and, what is more, they have human resources whose level of education can be compared to that in the developed countries.

The historical experience of the developed European countries is relevant. Economic development and the increase in the living standard were the real, sole, and lasting basis on which great historical reconciliations could be achieved and the major sources of social conflict eliminated.

Concurrently with the change in mentality, it is also necessary to give a coherent institutional answer to the new problems facing Europe. We believe that the adjustment of the already existing institutions of security and economic cooperation is the most reasonable option. To experiment now with the creation of new institutions would rather be a mistake, at least from the viewpoint of choosing the right time.

We value the opening and special efforts which the continent's security bodies, particularly NATO and the WEU have made so far to incorporate the Central and Eastern European countries in a coherent and unitary system of security, at the pan-European level. We agree with the various opinions that Russia should not be treated in a hostile way and mariginalized, since we must ensure equal security on our continent. Although this is only a start, which must be continued, we believe that this is the right way.

If we want to ensure that the new all-European relations are lasting ones and can offer equal security to all states, they must naturally be the outcome of the interaction of the respective countries—as agents acting on the international scene; of bilateral and regional agreements, which can take into consideration local interests; and of multilateral understandings and agreements at the continental level. These three levels of interaction will remain active and will constitute the source of security or insecurity for our countries. It all depends on whether we know how to find solutions that can harmonize our interests.

Romania's role in the new Europe will be basically defined by its own capacity to use its resources in order to promote its own development and contribute to the common effort of achieving the European project that is already taking shape. Romania is ready to provide this effort and the inherent obligations arising from the cooperation with its partners in the implementation of this common project, without asking for privileges, special treatment, or "assistance." The main premise of this cooperation—which is also our legitimate request—is to see Romania treated as an equal and responsible partner.

This is the foundation for our role in the new Europe!

Rovinari Miners Strike; 10,000 To Attend Rally

AU2807074494 Bucharest Radio Romania Network in Romanian 0400 GMT 28 Jul 94

["Dispatch" by Cornel Sorescu from the headquarters of the Mining Trade Union Federation in Rovinari]

[Text] As I reported before, at 0700 [0400 GMT] a general strike will be declared here, which will be participated in by the trade unions of the Rovinari, Rosia, and Dinoasa mining operations.

I learned a few minutes ago from Mr. Marin Condeescu, the chairman of the National Confederation of the Mining Trade Unions, the protest action was triggered by the fact that the collective labor contract for 1994-1995 has not been finalized, while the old one expired on 1 May 1994. The labor conflict was initiated because the administration board of the Targu-Jiu Pitcoal Public Corporation has not met the claims included in the application that was sent to the Supreme Court of Justice by the Rovinari Trade Union Federation.

Mr. Condeescu also told me that at 1000 in front of the building sheltering the headquarters of the Rovinari branch of that public corporation a rally will be held, which will be joined by representatives of the trade unions of the Rovinari Repair Works, transportation, services, railway, and representatives of 13 units and subunits of the Rovinari industrial platform, that is, altogether about 10,000 trade union members.

AC Dissociates From PAC-PNL Coalition

AU2607114794 Bucharest ROMANIA LIBERA in Romanian 23 Jul 94 p 3

[Text] In a communique released through A.M. Press, the Steering Committee of the Civic Alliance [AC] stresses the following: "The protocol of the new coalition between the Civic Alliance Party [PAC] and the National

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Liberal Party [PNL], called the Civic Liberal Alliance-The Liberals, was signed on 21 July 1994. Although the name of the AC is included in the new title, the AC, a member of the Democratic Convention of Romania [CDR] points out—in order to avoid any possible confusion—that it has nothing to do with the new coalition and begs the public at large to note this difference.

BCRE Director on Restructuring Credits Waste

94BA0345A Bucharest ADEVARUL in Romanian 22 Jun 94 pp 1, 9

[Interview with BRCE Director Razvan Temesan by Ion Marin; place and date not given: "$1 Billion Allocated to Restructuring"]

[Text] [Marin] Mr. Temesan, last year about this time, the Romanian Foreign Trade Bank [BRCE] had a credit line of about $1.5 billion, of which I know it has used about 30 percent. Can you tell us whether the utilization or ceiling figures have increased or not?

[Temesan] The utilization figure has increased while the ceilings have decreased; since the allocation was not used fully or at a rate which could lead to the conclusion that it was useful to the material restructuring and recapitalization of the Romanian society, the foreign banks which extended these lines of credit have reduced them in favor of other countries which fully used their allocations and needed increases to pay for their importations.

[Marin] What actually did happen? What will be done so that this monetary resource, so necessary to the restructuring process, will not dwindle away completely?

[Temesan] We have no other solution than to begin using these credits more decisively. I am referring primarily to a restructuring plan, a strategy which is patterned segmentially by branches. In my opinion, this program should be formulated in the shortest possible time by the government together with the State Property Fund (FPS), so that based on guarantees from the state, as the entity responsible for economic strategy, as well as on guarantees from the FPS, for the owners, the banks in general and BRCE in particular will be able to move toward the utilization of these credits on a larger scale. Otherwise, their utilization outside such a coherent strategy, and outside guarantees from owners and from the state, is extremely difficult given that a perception of what will happen in a given sector is essential in deciding whether or not to extend credit.

[Marin] Could you give us a relevant example that would help us better understand this idea?

[Temesan] Of course. Studies conducted in Romania have recognized that the road transportation sector has the possibility of generating very high revenues if it reaches a level of 4,000 transportation units. These studies were made in 1991-92. During those years, the Romanian banks extended credit for the importation of approximately 2,000 transportation units, and about 1,000 units were produced by Autocamioane-Brasov. All of which has led not to restructuring, but to overcompetition, as a result of which the transportation sector has proven itself inefficient.

At which point the banks naturally had to reduce, and in some cases even discontinue, credits for the production and importation of these units. And so we find ourselves in a situation in which Romanian goods instead of being transported with Romanian means of transportation, are transported with Turkish or Bulgarian units.

[Marin] At present, what is the volume of credit that BRCE can offer its customers?

[Temesan] Currently, we can offer a credit of approximately $700 million, for which we are also in a position to conduct business. If we consider other banks as well, the figure goes beyond $1 billion. What is missing, is this overall strategy as an orientation for the prospects of the sector. And we clearly would need the guarantee of the state and of owners, without which we cannot commit ourselves to such a volume.

[Marin] In the bank's opinion, what should be the primary areas for this support to be offered by the bank and the state?

[Temesan] My opinion is that the state must involve itself in updating the infrastructure in general, and the infrastructure of road and sea transportation in particular, because for better or for worse the infrastructure of the railways is in relatively good condition. I also believe that we can no longer delay the restructuring of the metallurgical sector, because while it is known to be a great consumer of raw materials and energy, it is also enormously important, with effects in all other branches of the economy. The third sector to be considered is the energy sector. It is essential that we modernize and improve the efficiency of energy production and transportation, because one of the flaws of the Romanian economy is associated with the energy consumption per unit product.

[Marin] Is agriculture one of these priorities, or not?

[Temesan] Agriculture is also an essential sector, but I rather see the investments and credits to be allocated to agriculture more as indirect than direct. And when I say indirect, I mean the development of the production, and especially service, base that is necessary in our territorial structure. I see the investments dedicated to a broader range of products and services offered to agriculture, both in terms of mechanization and in terms of processing, storing, and selling the production. At the same time, I would see these credits associated with investments needed to restore the irrigation systems, which are deteriorating as time goes by. If they are not repaired and placed in operation within the next year, in another two to three years they will be clogged, vandalized, finished.

[Marin] To hear about these huge sums of money available to our country—1 billion for restructuring—comes

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as a shock. Everyone wonders why they are not being used? Why are they allowed to go to waste?

[Marin] My opinion is that we are already witnessing an awareness of all the factors we discussed, meaning the administration, Parliament, and the government. It is becoming increasingly clear that despite the political debates that can be initiated on this subject, we must base ourselves on planning—and I'm not avoiding this word—because what matters is not the word itself, but the fact that without a macrostrategy that includes a timetable and branch definitions, it will not be possible to mobilize these credits nor many other resources available in Romania toward the progress which we all want. Accordingly, little by little I realize that these matters are getting settled and the people are becoming increasingly aware; the government already has a formulated general strategy, which I hope will be implemented by sectors and according to a timetable, as soon as possible. At the same time, the FPS is also concerned with the same thing. Maybe we should find a way to join in a common action, including with support from you, the press.

[Marin] Tell us whether any companies have requested these credits and what was the outcome.

[Temesan] Of course we can give such examples, and I want to give you some. We approved a credit of approximately 90 million marks for AZOCHIM in Piatra Neamt.

[Marin] And its director had the courage to sign for such a credit?

[Temesan] Its director together with his collective did have the courage, based on some feasibility and market studies that were very favorable given the combine's location, rather close to the source of raw materials and to the source of importation of natural gas from CIS. The market conditions for the products it manufactures is considered good and this retooling will lead to improved yields, so that the urea and other chemical compounds produced by AZOCHIM-Piatra Neamt will become profitable.

I can give other such examples: a credit extended to PRODEXPORT for importing equipment needed to retool sugar factories, a credit to upgrade a special steel treatment department extended to the commercial company SIDERCA SA-Calarasi, another to ARTROM SA-Slatina to retool its drilling-rod forging department, credits granted to the companies STIROM SA-Bucharest and TERAPIA SA-Cluj to modernize their pharmaceuticals fabrication technologies, to the ASTRA VAGOANE SA-Arad company to retool railway car production, and so on.

[Marin] At present we seem to increasingly encounter the other attitude, which is the fear of credit.

[Temesan] The fear of credit is related not so much to the concrete manner in which the Romanian banking system manages credit, as it is on current interest rates. This fear of credit is very recent; it did not exist a year ago, when everyone wanted credit.

[Marin] Of course, but that was consumer credit; very little of it was for technology upgrades.

[Temesan] Yes, very little. That is why I am making this appeal for planning, so that in addition to the confidence it would inspire in banks regarding the prospects of a given sector, it would also heighten the self confidence of those managers who will at least perceive some milestones in their future activities. To be sure, no one will claim that the plans, forecasts, and strategies formulated today will have to-the-millimeter, 100 percent practical results. But they will provide an expectation for a given period of time. That is exactly what everyone is lacking at present, and what leads to the fear of becoming involved in anything.

[Marin] Very well. What should we do, then? Revitalize ministerial structures? Have the FPS create similar ones for itself? Because this planning must be formulated by a well structured machinery, not just haphazardly.

[Temesan] You're drawing me into a political question.

[Marin] No. I would like to depoliticize the meaning of the word planning. After all, it's also used in France as well as in Japan.

[Temesan] There, planning is more rigorous than it ever was here.

[Marin] And the planning which you mention, at the macro as well as the micro level, the millimeter level. I don't think that we become involved in politics when we speak of planning.

[Temesan] You are drawing me into a political situation, because I could now state an opinion that it would be better if it were carried out in the government or better if it were carried out at the FPS. My opinion is that a structure such as this must be created at the Council for Reform, which would thus draft the general strategy, after which it would be given to the FPS to organize into topics. I therefore argue for the establishment of macroplanning and strategy at the Council for Reform, and of in-depth definition at the FPS.

[Marin] It seems to me that you are involving yourself in politics, but in the politics of money, of the bank, which as an essential institution of the market economy, structures the best solutions for profitability and effectiveness.

[Temesan] I agree. This is why I say that such structures can be created. A group of specialists and existing agencies can be the source of information as well as the component parts of the general strategy, but there is also a need for something that does not currently exist, which you can call what you wish—Strategic Planning Council, or anything—which will set and clarify the reform strategy.

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[Marin] I think that the restructuring program on the basis of the credits which we discussed, was not supported systematically and in a sustained manner, not even by BRCE, which after all has a primary interest in effecting some change.

[Temesan] I agree once more. BRCE's purpose is not only to mobilize that money, but also to create a climate in which the money can rotate and multiply so as to benefit a greater volume of lasting business. That is what the bank's role is, and not to become the financial department of two or three companies. And to enable a general economic development which in turn would enable the bank to develop as well. But there appears to be a distinct inability to understand this mechanism. I have no way of overcoming this lack of understanding, no way to prevail over the view which owners take of this problem. And I don't even want to mention the conflicts and the lack of input. What's more, I am truly sorry to say that our political composition here is worse than anywhere else, which is also why there is such a delay in moving toward correct decisions.

[Marin] In conclusion, what solution do you foresee?

[Temesan] It is my opinion that we should attempt to widen the discussion in the government, at the National Bank, and at the FPS, which have a whole set of structures that must assume the role they will have to play.

Grain Crop Damaged by Frost, Drought

94P21010A Bucharest ADEVARUL in Romanian 14 Jul 94 p 6

[Article by Cristian Badescu: "The Viewpoint of the Ministry of Agriculture"]

[Text] According to information supplied by Octavian Baciu, head of the department for grains and tehnical crops in the Directorate for the Orientation and Development of Production [DODP] in the Ministry of Agriculture, the situation in regard to the damaged [calamitate] grain crop is as follows: in Ialomita—70 percent of the areas planted to wheat and barley were damaged and the value of the harvest lost is almost 40 billion lei; in Buzau, the damages resulting from the loss of the harvest on 64,000 hectares planted to wheat, barley, and two-row barley is 25.7 billion lei; in Tulcea, all 250,000 hectares planted to grains were affected and the losses amount to 124.95 billion lei; in Galati, 74,000 hectares of wheat and barley were damaged and the value of the harvest lost is 17.5 billion lei; in Constanta, the damage is somewhat less—12 billion lei—and only 56,000 of the 130,000 hectares of grain have been compromised.

Baciu stressed that this damage is the result, mainly, of the accentuated drought this year and the February frost, which has been noted and evaluated in the case of the fall-sown crops. The losses will be measured at harvest time for the crops sown in the spring.

As for the possibility of financial compensation for these losses, Gheorghe Pogorevici, director of the DODP, told us that the Ministry of Agriculture and Food will prepare a draft law in this regard, which it will present to Parliament since the government is not authorized to issue an ordinance to cover losses caused by natural disasters when Parliament is not in session. The sources of the financing still have to be identified.

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Serbian Assembly Resumes Discussion of Peace Plan

LD2807100094 Belgrade TANJUG Domestic Service in Serbo-Croatian 0933 GMT 28 Jul 94

[Text] Sarajevo, 28 Jul (TANJUG)—The Bosnian Serb republic parliament resumed its session after 1000 this morning in Pale, TANJUG has learned from sources close to the state and political leadership of the Serb republic. The deputies are discussing the Serb side's definitive answer to the proposed peace plan in the light of some new facts and in the context of continued negotiations within the framework of the Contact Group. The club of deputies also held a debate on this issue last night. The session is being held strictly behind closed doors, and the public is completely shut out of the session due as a protection against possible manipulation and false interpretations of or speculations about the Serb republic's position.

Churkin: Serbs Reconsidering

AU2807084994 Belgrade BORBA in Serbo-Croatian 28 Jul 94 p 1

[Report by M. Vidakovic: "Serbs Consider Reexamining Their Reply"]

[Text] Belgrade—Special Russian envoy to the former Yugoslavia Vitaliy Churkin met with the Serbian President Slobodan Milosevic yesterday.

In a statement to reporters of BORBA, Radio B-92, and Television POLITIKA [local Belgrade station], Churkin said that "the Serbs in Bosnia are considering reexamining their reply to the contact group." Asked whether he had obtained a reply to a message from President Yeltsin that was handed to Milosevic and [Bosnian Serb President] Karadzic on Tuesday, Churkin said that, in his opinion, "the message from the Russian President was very clear."

"So far all questions have been examined several times and the Bosnian Serbs are considering an explanation of their reply to the contact group," Churkin said. He added that he hoped for progress. However, when asked whether he was an optimist he did not respond but said: "I believe that the talks that were held by [Russian Defense] Minister Grachev here, which we are continuing, were very open and useful and that certain ideas were put clearly to our partners in talks. They are now reexamining them. However, the result of this process, that is, whether the explanation of the Bosnian Serbs' position is such that we consider it adequate, will be known at the new ministers' summit that is scheduled to take place on Saturday."

When asked to comment on the blockade of Sarajevo that was announced by Karadzic, Churkin replied that he was not informed about it.

Finally, the Russian envoy confirmed that he expected progress in Geneva.

Assembly Member Rejects 'Surrender' of Territory

AU2807102794 Belgrade BORBA in Serbo-Croatian 25 Jul 94 p 5

[Report by Z. Sapanjic: "We May All Die, But We Shall Never Surrender Mount Ozren"]

[Text] Mount Ozren—According to the maps laid down by the contact group, the region of Mount Ozren, including Doboj, should belong to the Croatian-Muslim Federation. The greatest part of the mountain, currently divided into several Serbian municipalities, is now held by the forces of the Serbian republic. The most critical situation is in the farthest southern part of the region, at Vozuca, where the Muslim forces have already taken several important spots, and thereby put Vozuca in a very difficult position. The soldiers arriving in Doboj, as well as the refugees in Panjik, say that the connection between Vozuca and the remaining part of the Ozren region is as narrow as a few tens of meters.

Vozuca is particularly important for the Muslim forces, because a very important road route, from Zavidovici to Banovici, runs through it, it also being the shortest connection between Zenica and Tuzla. On the other hand, some Serbian assessors of the situation at Ozren claim that the possible fall of Vozuca would endanger other Serbian positions at Ozren as well, so this spot is being defended frantically.

Several days before the beginning of the latest Assembly meeting in Pale, the representatives of the Association of the Serbian Communities at Ozren almost made it an ultimatum that the maps be rejected, threatening disobedience to both the Assembly and [Bosnian Serb leader Radovan] Karadzic if they were not.

Yesterday, on Mt. Ozren, we asked Dusan Nesic, deputy in the Assembly of the Serbian republic, who is also head of the Serbian municipality of Lukavac, whether he believed that the Assembly in Pale had said "No!" to the maps.

"I think that the Assembly did not say no, but rather demanded that things be worked out in a more detailed manner. We are not satisfied with the answer. We shall not accept any signature that would sacrifice Ozren. There will be problems for anybody who is intent on seizing Ozren, and we shall confront any such attempt with all means available. Anybody who wants to establish a different kind of authority over Mt. Ozren is mistaken. We have fought the enemy all this time, and we shall never accept being surrendered to the enemy. We also refuse to leave Mt. Ozren. They may as well offer us all the money in the world, we shall never accept it. Many people have died at Mt. Ozren, and now we are supposed to surrender it to the enemy—no, we cannot accept that. We may all die, but we shall never give up Mt. Ozren," Nesic says.

"We stand for the rejection of the maps, even if it means a long-lasting war, rather than to sacrifice any of the

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Serbian territories. Karadzic asked me: 'Which territories at Ozren do you think we could surrender to the Muslims? You see how great pressure they are putting on us.' I replied: 'Mr. president, it would be easy to solve the problem if a desert, devoid of people, were to be given away, but how we are supposed to give away people? Who gave us a right to take away from those people what has belonged to them for centuries and to send them to wander around the world?' To which Karadzic replied: 'Well, I think the same as you do.' Which is to say, he also thinks that Serbian territories should not be surrendered."

UNPROFOR Confirms Serbs Attacked Convoy

AU2707170694 Paris AFP in English 1654 GMT 27 Jul 94

[Text] Sarajevo, July 27 (AFP)—Bosnian Serbs fired on a British UN convoy at Sarajevo airport Wednesday [27 July], wounding at least two people, a French UN spokesman said here. Colonel Descamps, deputy commander of the UN French battalion which controls the airport, told reporters that the convoy was attacked "by the Serbs from Ilidza." The convoy came under heavy machine-gun [fire] for 15 minutes, said the colonel.

TANJUG Reports Attack

LD2707181394 Belgrade TANJUG in English 1733 GMT 27 Jul 94

[Text] Sarajevo, July 27 (TANJUG)—Two British soldiers were wounded and two vehicles set on fire in Wednesday's attack near Sarajevo on a British United Nations Protection Force convoy. The convoy was attacked in the area of the Moslem-controlled Mt. Igman while heading from Vitez in central Bosnia-Herzegovina to Gorazde in eastern Bosnia, news agencies quoted U.N. officials as saying. The sources said it was not clear who was responsible for the attack. U.N. official Claire Grimes said the convoy had been attacked without warning.

British Soldier Dies

AU2707204794 Paris AFP in English 2032 GMT 27 Jul 94

[Text] Sarajevo, July 27 (AFP)—A British soldier died late Wednesday [27 July] from severe chest wounds suffered in a Serb attack on a UN convoy at Sarajevo airport, hospital officials said here. The soldier, named earlier as Philip Bottomley, 26, died around 7:00 P.M. (1700 GMT) at the Hrasnica hospital where he had undergone emergency surgery. Hospital doctors said the soldier never regained consciousness following the operation. The UN Protection Force here was unavailable for comment.

UN Commander Condemns Attack

AU2807132094 Paris AFP in English 1254 GMT 28 Jul 94

[Text] Sarajevo, July 28 (AFP)—UN Bosnia commander Lieutenant-General Sir Michael Rose launched an outspoken attack on Bosnian Serbs on Thursday [28 July], the day after the Serbs raked a UN convoy with heavy machine-gun fire, killing a British soldier.

Rose, who went to the Serb stronghold of Pale to protest Wednesday's attack near Sarajevo airport, said in a statement here that he "unreservedly condemns this unprovoked attack."

The British commander said Serb claims that they had mistaken the six-truck UN convoy for a Bosnian civilian one were "wholly worthless," since the gunners had opened fire on French troops sent to rescue the stricken convoy.

A British soldier, named as Corporal Philip Bottomley, later died from chest wounds sustained in the attack. Another soldier and a Bosnian civilian were wounded in the incident.

Rose said although air support had been provided air strikes were not ordered because no "suitable target" could be identified, despite the efforts of UN ground troops in the area.

UN Protection Force spokesman Commander Eric Chaperon said later that airstrikes by NATO warplanes had been scrapped because of the dangers of inflicting civilian casualties.

"You do not go in with aircraft against small arms (fire)," he said.

The Serb attack came the day after the Serbs warned they were closing the last remaining civilian route into Sarajevo, saying the Moslem-led Bosnian government was using the road to ferry in weapons and ammunition, a charge the Bosnian authorities deny.

UN convoys were not however affected by the ban.

NATO Deploys Aircraft

AU2707170494 Paris AFP in English 1652 GMT 27 Jul 94

[Text] United Nations, July 27 (AFP)—NATO aircraft were deployed in Sarajevo Wednesday [27 July] shortly after a UN convoy was raked by gunfire near the airport, leaving at least two people wounded. "Immediately following this incident, air presence was authorized and granted by NATO and there were close flights by NATO," said a UN spokesman. "It was a request for an air presence to show force. The assumption is there was no further shooting," the spokesman, Joe Sills, said. Sills said that the gunfire, which he called small arms fire, came from an area where Bosnian Serbs were known to be.

Grachev Delays Details of Talks With Serbs

LD2707140194 Belgrade TANJUG Domestic Service in Serbo-Croatian 1245 GMT 27 Jul 94

[Text] Erdut, 27 Jul (TANJUG)—Practical results of the talks with Serbian President Slobodan Milosevic; Radovan Karadzic, president of the Bosnian Serb

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republic; and Milan Martic, president of the republic of Serb Krajina [RSK] in Croatia, will be revealed over the next two or three days or on 30 July at the latest, Russian Defense Minister Pavel Grachev said during a visit to Erdut today.

Grachev added that today's talks with Milan Martic, president of the RSK, and Borislav Mikelic, prime minister of the RSK, focussed on the possibilities of solving the conflict between Krajina and Croatia by peaceful means. We also discussed the maps offered by the Contact Group, and the results of the talks will also be known very soon, the Russian defense minister said.

Commenting on today's talks, RSK President Milan Martic stressed that Grachev was informed about the most important facts concerning the Serbian-Croatian conflict. Martic stressed that Grachev admitted that this was new to him, so Martic believes that this could be of vital importance in making certain decisions.

Minister Grachev discussed the Contact Group's maps in greater detail with President Karadzic, but I am personally sure that there will be some alterations to the maps, the Krajina president added.

Commenting on the news that more Russian soldiers will arrive in Brcko, Martic said that, as far as he knew, that was correct.

Krajina Prime Minister Mikelic said that there had been no talk of the Croatian blockade of UNPROFOR [UN Protection Force] during the talks in Erdut. As far as we are concerned, UNPROFOR can stay as long as they like, and they can move their headquarters to Plitvice or any other location in Krajina, Mikelic added.

During his visit to the RSK, Grachev toured the positions of UNPROFOR's Russian battalion at Klisa airport near Osijek and on the border crossing between the villages of Brsadin and Nustar west of Vukovar.

Serbs Keep 'Humanitarian' Road Under Fire

AU2707161094 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 27 Jul 94

[Text] The Information Service of the Bosnia-Herzegovina Army 1st Corps reports that this morning increased activities have been noticed of the enemy forces and military vehicles on the Sarajevo front, particularly in Lukavica and around the airport. Apart from that, small arms fire has been intensified, as has antiaircraft weapons fire along the entire separation line.

The enemy is keeping the Mt. Igman road under constant fire with antiaircraft guns. As the convoys with humanitarian aid pass along that route, the enemy intensifies his fire. Enemy snipers are particularly active in several places in the city. One person has suffered serious injuries from a sniper in Stup Two.

Considering this behavior by the aggressor, which can escalate into serious incidents, the 1st Corps Information Corps warns citizens to exercise maximum caution and to reduce to the minimum the time that they spend out in the open.

Izetbegovic: Sarajevo Siege To Escalate War

AU2707143894 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 27 Jul 94

[Text] President Alija Izetbegovic of the Bosnia-Herzegovina Presidency today sent a letter to [words indistinct], chairman of the UN Security Council, informing him that the blue road across the Sarajevo airport has been closed as of this morning through a decision by Karadzic's Serbs.

The city was blocked even before this decision, but by closing the blue road, the strangulation of the city has been resurrected. Among other things, this has obstructed the entry into Sarajevo of fuel and material for the reconstruction of the city.

The aggressor has purported that the reason for closing the road is that our army has been using the road for the transport of weapons into the city. This is completely incorrect. The UN Protection Force [UNPROFOR], which controls all the vehicles, has denied this charge as unfounded, but has undertaken no action to clear the passage. This passivity by UNPROFOR is all the stranger when one takes into account the fact that the entire length of the road passes through the area under the control of the UN forces. The strangulation of Sarajevo thus reimposed endangers the peace process and threatens with the escalation of the conflict.

In protest against this hostile and dangerous action, I appeal to you to call an urgent session of the Security Council to determine effective measures to remove the willfulness of the Serbian aggressor concerning the [word indistinct] city.

This is said in the letter by President Alija Izetbegovic of the Bosnia-Herzegovina Presidency to [words indistinct], chairman of the UN Security Council.

Army Said Committing Crimes Against POW's

LD2707153794 Belgrade TANJUG in English 1243 GMT 27 Jul 94

[Text] Petrovac, July 27 (TANJUG)—Fikret Abdic has said the troops loyal to the Moslem government in Sarajevo are committing crimes against his soldiers they captured.

This is what the leader of the Moslems who proclaimed autonomy in western Bosnia told Tadeusz Mazowiecki, special U.N. envoy for human rights—it was reported Wednesday by the Velkaton Radio based in Velika Kladusa, the administrative center of the autonomous province of western Bosnia (APWB).

Abdic said the international community should no longer tolerate crimes and torture committed by the forces of Bosnian Moslem leader Alija Izetbegovic against the Moslems from the APWB, captured in inter-Moslem clashes.

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Abdic and Mazowiecki agreed that the APWB and the Sarajevo-based Moslem authorities should exchange their POWs at the soonest, the radio said.

Mazowiecki had demanded that no journalists be present at the talks, but Abdic disagreed.

Abdic explained that the 'people must be informed about everything, because they are affected by all tragedies, especially those staged in the APWB by the Sarajevo authorities headed by Alija Izetbegovic,' and the talks were then covered by the press.

Following fierce clashes in the APWB region, the past 24 hours were somewhat calmer. However, forces loyal to Izetbegovic continued attacks using infantry and sniper weapons, the radio said. This was also confirmed by the Croatian radio and the Moslem-controlled Sarajevo Radio.

Abdic, who opposed the war-mongering policy of hard-liner Izetbegovic, established last autumn the APWB and signed peace agreements with the Bosnian Serbs and the Bosnian Croats.

Immediately after that, inter-Moslem clashes broke out, since the Moslem government in Sarajevo sent its forces with the orders to put an end to the autonomy of the Moslems in western Bosnia.

Izetbegovic Hails Arrival of Albanian Ambassador

AU2707160994 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 27 Jul 94

[Excerpt] [passage omitted] [Announcer] President Izetbegovic also spoke on the occasion of the Albanian ambassador's arrival. He said:

[Begin Izetbegovic recording] Your Excellency, we highly appreciate the Albanian Government's decision to accredit a diplomatic representative in Sarajevo. Albania belongs to that large group of countries with whom we established (?agreement and understanding) from the very beginning and without any difficulties.

Moreover, Albania belongs to that [word indistinct] of countries that, owing to its geographical position and historical [word indistinct] (?with the Belgrade regime) can fully comprehend the nature of the Serbo-Montenegrin aggression on Bosnia-Herzegovina. We know that peace, sovereignty, and territorial integrity of all internationally recognized countries constitute the key points of your country's foreign policy and its international activity. Precisely owing to this [words indistinct]. (?We know) Mr. Roshi, that you are one of the forerunners of democracy and liberation from the (?communist) dictatorship which for decades had been imposed on the proud Albanian people. That is why we are glad that it is precisely you that has been chosen to be the first Albanian ambassador in Bosnia-Herzegovina. Please convey to [Albanian] President Sali Berisha and your government our greetings and deep respect. Your Excellency, Ambassador Roshi, welcome to Bosnia-Herzegovina and I wish you success in your demanding position. [end recording]

Silajdzic Urges UN To Airdrop Food to Bihac

AU2707184094 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 27 Jul 94

[Text] Bosnia-Herzegovina Prime Minister Haris Silajdzic has sent a letter to UN Secretary General Butrus-Ghali concerning the desperate humanitarian situation in Bihac:

I write this letter to draw your attention and seek your help to alleviate the severe humanitarian conditions affecting our population in the UN safe zone of Bihac. As you know, all the UN humanitarian convoys for that region have been suspended since 21 May 1994. Ever since that, the people of Bihac have been suffering under deteriorating living conditions. Large amounts of food and medicine are needed, particularly since—even before the stoppage—food and medicine were delivered to the city in amounts that satisfied barely half the daily needs of the population. Our people are in severe [words indistinct] and our government is seeking help for the urgent delivery of food and medicine through UNHCR convoys and, even more urgently, for airdrops of food over the region.

This is said in the letter sent by Bosnia-Herzegovina Prime Minister Haris Silajdzic to UN Secretary General Butrus-Ghali.

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Serb Krajina Forces Shoot Down Croatian Plane

LD2707141094 Belgrade TANJUG Domestic Service in Serbo-Croatian 1258 GMT 27 Jul 94

[Excerpts] Knin, 27 Jul (TANJUG)—Serb Krajina army border units have shot down a Croatian Army reconnaissance plane, the information service of the Serb Krajina army said today.

This indicates more violations of the Serb republic of Krajina's [RSK] territory, and flights over the RSK territory also represent a violation of the Zagreb agreement. According to the statement issued by the information service of the Serb Krajina army, members of the Slavonija-Baranja [Serb Krajina] Corps did not open fire and shoot down reconnaissance planes until RSK territory was violated. [passage omitted on background]

The plane, which was shot down on 26 July near the village of Sodalovci, was equipped with video and photo equipment. According to the statement, the instruments were not damaged indicating how precise the anti-aircraft defense of the Serb Krajina army is.

Ministry Denies Shootdown

LD2707175594 Zagreb Radio Croatia Network in Serbo-Croatian 1700 GMT 27 Jul 94

[Text] The Croatian Ministry of Defense denied today that rebel Serb forces had shot down a Croatian Air Force plane on a reconnaissance mission over the village of Sodalovci in eastern Croatia.

The allegation was released by the Yugoslav TANJUG news agency, which quoted rebel Serb military sources in Croatia, and was also carried by AFP.

Defense Ministry spokesman Josip Rajcic told HINA he had no information about the alleged incident, adding that this was most likely propaganda by the rebel Serbs in the UN Protected Areas of Croatia. The allegation could neither be confirmed by a spokesman for the UN Protection Force in Zagreb, who said that he had no information about such an event in UN Sector East.

Tudjman Sends Message to Contact Group Members

LD2707195094 Zagreb HTV Television in Serbo-Croatian 1730 GMT 27 Jul 94

[Text] In a message to the heads of states or premiers of the member-states of the Contact Group—Bill Clinton, Boris Yeltsin, Helmut Kohl, Francois Mitterrand, and John Major—sent on the eve of reaching important and far-reaching decisions on 30 July in Geneva, Republic of Croatia President Franjo Tudjman expresses his conviction that the time has come for the world to demonstrate and prove its determination and capability to implement the decisions already passed by the UN Security Council and the most important international mediators.

Having stressed that the course of events has proven that the Republic of Croatia was justified in warning that the situation in Bosnia-Herzegovina and in the occupied territories of the Republic of Croatia were linked, President Tudjman concluded that when reaching its decisions in Geneva on 30 July the Contact Group must take into consideration both the settlement of the crisis in Bosnia- Herzegovina and the reintegration of Croatia's occupied territories in its internationally recognized borders.

Croatia will never give up its occupied parts, Tudjman's message reads. We expect that the international community—through its mechanisms and institutions—should ensure a peaceful settlement of this problem, by implementing UN Security Council resolutions, especially no.'s 769, 815, and 871.

Finally, Croatia offered to cooperate with all responsible factors involved in urgent pursuit of a solution aimed at establishing peace and a new international order in this part of the world.

Government Assures Passage for UN Forces

LD2807093394 Zagreb Radio Croatia Network in Serbo-Croatian 0900 GMT 28 Jul 94

[Text] The Croatian Government has assumed control of seven checkpoints through which UNPROFOR [UN Protection Force] will be allowed access to the Serb-held protected areas: Zemunik Donji, near Zadar; Turanj, near Karlovac; Moscenica, near Sisak; Stari Grabovec and Dragalic, east of Nova Gradiska; and Nustar and Bilje east of Osijek.

Mato Simic, president of the Associaton of Refugees, said that the refugees had not given up on their goals and that they would continue their peaceful protest at the remaining 14 checkpoints. He called on the refugees to respect the decision to allow UNPROFOR to pass through the seven checkpoints.

In line with yesterday's decisions, the refugees have allowed the UN Protection Forces to have free passage on the Bilje road.

Valentic: Blockade May Lead Government To Resign

LD2707160894 Zagreb Radio Croatia Network in Serbo-Croatian 1500 GMT 27 Jul 94

[Text] A meeting convened by Prime Minister Nikica Valentic is under way in Zagreb, attended by several ministers, members of the Croatian Refugee Association's executive council, and prefects of the counties from where the refugees had been expelled.

The subject under discussion is the issue of relations with the UN Protection Force [UNPROFOR] in Croatia. Correspondent Kosor has the report:

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[Kosor] We are obligated to ensure normal conditions for UNPROFOR's work; you must realize that your blockade is jeopardizing the government's work, Prime Minister Nikica Valentic said in his opening address. He added that he has personally guaranteed that everything would be done to cancel the peacekeepers' mandate as it is at present.

If the blockade of UNPROFOR continues, it could trigger off a reaction from the UN Security Council with a presidential statement against Croatia, explained Mate Granic, deputy prime minister and foreign minister. He underlined that the refugees' protests are justified but that Croatia's favorable international opportunity should be taken advantage of in the forthcoming period. We must not miss it, Granic said.

National Security Council Chairman Hrvoje Sarinic said that the expulsion of UNPROFOR from Croatia would be detrimental to the country's interests. Sarinic pleaded with the refugees to cooperate.

The president of the refugees' association, Mato Simic, was the first to speak on behalf of the association. Our demand remains—to return, he said, and he asserted that the refugees' protests have been carried out in a dignified manner. Simic emphasized that the Croatian Refugee Association cannot discontinue the blockade without firm government guarantees concerning the refugees' return.

Interior Minister Ivan Jarnjak also testified to the peaceful, dignified, and incident-free protests, while Defense Minister Gojko Susak pointed out: Your voice can now help us demand the alteration of UNPROFOR's mandate.

After the members of the refugees' association had spoken, and before the session was closed to the public, Prime Minister Nikica Valentic said: I demand that UNPROFOR be allowed passage at five checkpoints as of tomorrow. Without this condition the government can no longer function; if the government cannot guarantee conditions for UNPROFOR's unhindered work, we will resign.

As I said, the meeting between Croatian Government officials and the prefects with the representatives of the Croatian Refugees' Association is still under way but is off limits to the public.

Valentic on Assuming Control of Checkpoints

LD2707192394 Zagreb Radio Croatia Network in Serbo-Croatian 1700 GMT 27 Jul 94

[Excerpt] What Prime Minister Nikica Valentic and the executive board of the Association of Croatia's Refugees concluded at their session today could be termed as compromise. The session, as we reported earlier, was attended by the ministers of relevant portfolios in the Croatian Government and the prefects of the counties whose populations have been driven out. Following the session, statements were made by premier Nikica Valentic and representatives of the refugees' organization. Jadranka Kosor has more details.

[Kosor] Following several hours of talks, we concluded that the demands raised by the Association of Croatia's Refugees are justified and that the UN Protection Force's [UNPROFOR] lack of efficiency have resulted in justified discontent, Valentic said, and added:

[Begin Valentic recording] The government is aware of its responsibility for the return of refugees to their homes, so in that sense it extended its full support for the refugees' demands. The Association of Croatia's Refugees demonstrated its willingness to understand the general situation in the country, to understand the position of the Croatian Government and the interest of Croatia's entire state policies.

Today, we agreed that from 0800 tomorrow the Croatian Government will take over seven checkpoints and that UNPROFOR personnel and their vehicles will be able to use these seven checkpoints for traffic. The Croatian Government will assume responsibility for controlling goods on their way to the UN-protected zones. We will stay in regular contact regarding the further resolving of problems on the remaining local checkpoints.

Given the fact that these are very delicate decisions, we are going to hold further meetings in the next few days, so we can work out how we are going to resolve the question of the remaining checkpoints. It seems likely, however, that the refugee association will continue its peaceful blockade of the other checkpoints as it is going to discuss with the government how to safeguard these checkpoints and ensure there is no unauthorized transport to the UN- protected zones.

I would also like to take this opportunity to thank the refugee association and its leadership for demonstrating a high level of understanding for the overall situation at a very sensitive moment while the refugees were exerting a great deal of justified pressure both on the association and the government as well as for taking a decision which is absolutely in the interest of the Croatian state. Croatia is dissatisfied with the implementation of the Zagreb agreement—we are going to lodge our protest—as it insists on the return of refugees; that is, the implementation of the so-called pilot project which is covered both by verbal and written guarantees from UNPROFOR.

We hope that all of this will facilitate our redefinition of UNPROFOR's manaate in September, so refugees can start returning to their homes. [end recording]

[Kosor] The chairman of the Association of Croatia's refugees, Mate Simic, made a brief statement.

[Begin Simic recording] We have vested all authority in the government of the Republic of Croatia so it can start controlling UNPROFOR and the other international institutions which so far have transported vast quantities

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of unchecked goods to the occupied areas. The refugee association has not given up its fundamental goals; i.e. the struggle for our return and for a dignified existence for as long as we are refugees. We are going to give the Croatian Government another chance in some 30 days, so we can analyze the results which the Croatian Government will achieve in this coming period. [end recording] [passage omitted]

Tudjman Gives Speech at Inauguration of Powerline

LD2707124494 Zagreb HTV Television in Serbo-Croatian 1815 GMT 26 Jul 94

[Address by Croatian President Franjo Tudjman at inauguration of powerline in Zadar on 26 July—recorded]

[Text] Ladies and gentlemen, we are here today to attend an important event: the uniting of the electricity distribution system of Croatia—of northern and southern Croatia—to reunite what the hateful aggressor has torn apart. They wanted to sever the links between northern and southern Croatia, between the Croatia of Slavonia and Primorje, and the Dalmatian Croatia. They wanted to make Zadar their own port. They have been defeated, and they will soon see every inch of the Croatian land in our constitutional and legal system. [applause]

This event demonstrates how we had to fight for the establishment and defense of Croatia, and at the same time to build it. We have visited the Peruca dam where they destroyed one of our biggest hydroelectric plants. Our Croatian man is rebuilding his Croatia there as well. Before that, my associates and I went to the island of Vir where we viewed a Croatian armed forces military exercise, an armed force that grew out of the people's ranks in the struggle for Croatia's freedom and independence.

When they attacked us we were empty handed. We had only our hearts and our longing for freedom. We managed to defend Croatia and win its international recognition. We have even acquired friends in the world, from the United States to China. Today, we are no longer alone.

We will try to liberate the Zadar hinterland, and all the way to Vukovar and Baranja by peaceful means and with the help of the international community. But if we have to resort to different means, Croatia will not be alone, and Croatia is no longer unarmed and weak. Croatia can liberate its territory. Croatia has a right to do it. For that purpose Croatia has its armed force and friends throughout the world.

Therefore, this inauguration today, as well as what we saw on Peruca and Vir stand, demonstrate that we have achieved everything through our own strength, the strength of the Croats at home and in the diaspora.

As head of state, let me thank our emigrants and the Pan-Croatian Congress who have been involved and made their contribution even to the building of this trans-island powerline. I will take this opportunity to thank everyone, workers and [word indistinct], everyone who has in any way contributed to the success of establishing the transmission line.

What is more important is that we have achieved the unity of the Croatian people, of the Croats abroad and at home, and of all Croatian classes. We have achieved everything through our own strength, thus winning friends in the world. These days we have not only gained friends and allies, but the world—Europe and America—needs this free, democratic, and independent Croatia. These days the international players need our Croatia to establish a new international order in the territory of the former Yugoslavia and in southeastern Europe. We can be proud of everything we have achieved, including this victory here. It shows that Croatia was at the same time a battlefield and a construction site. We will rebuild our Croatia and its future is bright.

Long live our eternal homeland.

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Mazowiecki To Examine Progress of Human Rights

AU2807103794 Skopje MILS-NEWS in English 28 Jul 94

[Unattributed report: "Evaluating Human Rights in Macedonia"]

[Text] Tadeusz Mazowiecki, ex-presidential candidate in Poland and today's UN special envoy on human rights in the former Yugoslavia, stated upon his arrival at the Skopje airport: "My aim is to estimate the progress in implementation of human rights in Macedonia [The Former Yugoslav Republic of Macedonia], especially after the long break following my last visit here. I am mostly interested in ethnic relations in Macedonia, the issue of freedom of press, police, judicial system, the census, and other questions."

Unofficially, the A1 television finds out Mazowiecki has been informed of certain recent changes in human rights implementation in Macedonia, especially after the court sentences for Albanians involved in the parliamentary affair.

Meanwhile, Mazowiecki's first report on human rights in Macedonia was positive.

Ukrainian Arms Reportedly Purchased

AU2807102294 Skopje MILS-NEWS in English 28 Jul 94

[Unattributed report: "Ukrainian Arms for Macedonia"]

[Text] Police officials in Bulgaria inform they have arrested three Bulgarian citizens, suspected for involvement in arms trade with Macedonia [The Former Yugoslav Republic of Macedonia]. MAKFAKS cities the Bulgarian paper KONTINENT on claiming Macedonia has purchased $80 million worth of arms, planned to be distributed to Macedonia through Albanian port Durres this week.

May Wages Increase 3.5 Percent Over April

AU2707161194 Skopje MILS-NEWS in English 27 Jul 94

[Unattributed report: "Statistics Info"]

[Text] The May average net wage in Macedonia [The Former Yugoslav Republic of Macedonia] was 7,807 denars. In the economies, it was 7,441 denars, and in non-economies 9,100 denars. Highest wages in the economies were paid to employees in financial and technical services companies—12,873 denars and lowest to employees in construction firms—5,884 denars. In non-economies, employees in social and political organizations received the highest wages (9,503 denars in average) and public health—9,110 denars. Employees in the education, culture, science, and information were again paid under the average, receiving 8,883 denars.

Many wages were higher by 3.5 percent in comparison to April.

According to statistic figures, 15.3 percent of the total number of employed have not received any wages—18.1 percent in the economies and 4.4 percent in non-economies.

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Parliament Discusses Foreign Debts

AU2707145394 Ljubljana Radio Slovenia Network in Slovene 1330 GMT 27 Jul 94

[Excerpt] Following last night's government session and meeting of the State Chamber Collegium, parliament began its session behind closed doors this morning. According to unofficial reports, the deputies are discussing relations with foreign creditors of Slovenia and the former SFRY [Socialist Federal Republic of Yugoslavia]. It is rumored that parliament is expected to pass some legal amendments in connection with this, perhaps even the amendments to the Constitutional Law.

For the time being, it is impossible to say what the deputies are discussing. The list of guests at today's parliament session is perhaps a little more illuminating. Besides Prime Minister Janez Drnovsek, Finance Minister Mitja Gaspari, and National Bank Governor France Arhar, the session is also attended by the head of our negotiating team with the foreign creditors Mojmir Mrak, the director of the Agency for Financial Rehabilitation of Banks, and the director of the Ljubljanska Banka stock holding company Bozidar Voljc. [passage omitted]

Amends Law on Banks

AU2807112594 Ljubljana Radio Slovenia Network in Slovene 0500 GMT 28 Jul 94

[Text] The State Chamber at yesterday's session at the government's proposal passed amendments to the Constitutional Law on Realization of the Fundamental Constitutional Charter on Slovenia's Sovereignty and Independence. The passing of the amendments means another step in the process of achieving financial and economic independence of our country and expounds on some segments of the Constitutional Law passed in June 1991.

The passing of the amendment to the Constitutional Law by which two new banks are being formed, namely, a new Ljubljanska Banka stock holding company and a new Kreditna Banka Maribor stock holding company, will provide additional legal safety for these two banks and the Republic of Slovenia in their relations with foreign creditors during the period of continued negotiations about the Slovene share of the debt of the former SFRY [Socialist Federal Republic of Yugoslavia] and the SFRY's succession.

The above amendments also define more specifically those articles of the Constitutional Law that refer to our country's debts toward foreign countries. They will help strengthen our country's position in negotiations with foreign creditors.

The adopted amendments are also very important regarding our country's relations with foreign countries. However, they are of no consequence whatsoever for the relations of the abovementioned two and other Slovene banks with the citizens and legal entities on the territory of our country. The status of the domestic holders of tolar and foreign currency savings accounts, therefore, remains unchanged and completely secured.

On this occasion reporter Suzana Kos asked National Bank Governor France Arhar for a brief explanation of the reasons and importance of the adopted decisions:

[Begin Arhar recording] The new law, that is to say, the amendment to the Constitutional Law, brings additional obligations on the republic, a declaration that it is willing to negotiate further on a fair basis and accept its share of the unallocated SFRY debt which would, as established in the negotiations, ultimately be ratified by the State Chamber.

The purpose of this law is to use this domestic legislation in domestic courts in cases of [word indistinct] actions against these banks and, naturally, to use the domestic legislation in foreign courts, too, in cases of any misunderstandings or various aspirations to take actions against the debtors.

This is what is new, what we have not clearly specified so far. Of course, foreign countries have long practiced this in the cases similar to the present Slovene situation, when the question of the old SFRY debt has not been resolved yet. [end recording]

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Federal

Grachev, Churkin Leave Belgrade After Visit

LD2707150094 Belgrade TANJUG Domestic Service in Serbo-Croatian 1433 GMT 27 Jul 94

[Excerpt] Belgrade, 27 Jul (TANJUG)—Russian Defense Minister Pavel Grachev and Russian Deputy Foreign Minister Vitaliy Churkin left Belgrade this afternoon.

Federal Defense Minister Pavle Bulatovic and Yugoslav Chief of Staff Momcilo Perisic saw the Russian officials off at Belgrade airport. [passage omitted]

Kontic Suggests Crisis Reaching 'Climax'

AU2707152994 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 27 Jul 94

[Statement by Radoje Kontic, Federal Republic of Yugoslavia prime minister, prior to leaving on visit to Ukraine; place and date not given—recorded]

[Text] This visit is taking place at the invitation of Ukrainian President [title as heard] Vitaliy Masol and represents the maintenance of the continuity of a high-level political dialogue. I would say that we are going to visit a country that has always been traditionally friendly to us, and I believe that attention will be devoted to two groups of issues; the first will, of course, be our bilateral relations, both under conditions of the sanctions and after the lifting or relaxing of them. We assess that even now—under sanctions—there are certain possibilities for furthering our bilateral cooperation, particularly in those fields, spheres, and products that are allowed by the relevant UN Security Council resolutions. However, we shall mostly discuss the establishment of normative, institutional, material, and other conditions for the development of diverse cooperation after the sanctions are lifted. We simply want our bilateral relations with Ukraine—particularly in the economic sphere—to reach the level and degree of development that we had before the sanctions were imposed, that is, before the disintegration of the Soviet Union and the Socialist Federative Republic of Yugoslavia [SFRY], as soon as possible.

I am sure that you suspect that the second group of issues concerns the development of the crisis on the territory of the former SFRY; the crisis is currently approaching a climax, and we believe that Ukraine can play a significant role [words indistinct]. The first concerns the contact group plan that is currently very topical. We believe that Ukraine can—and it has been doing so—speak out against any type of military or other intervention and to support a peaceful, political solution to the crisis, in the same manner as the Federal Government is doing. On the other hand, we believe that Ukraine—which has also been substantially hurt by the sanctions—can play a significant role with our neighbors, countries that are friendly to us, in reintegrating Yugoslavia into the international community. Finally, the third group of issues will certainly center on current crisis points in the world, of course to the extent that is in our mutual interest. I expect friendly and constructive talks, and I am convinced that this visit will contribute to the development of a diverse bilateral cooperation between our two countries.

UN Responses to Peace Plan Decision Reported

AU2807103394 Belgrade BORBA in Serbo-Croatian 27 Jul 94 p 1

[Unattributed report: "BORBA Has Learned: The Calendar of Lifting Sanctions Has Been Presented to Bosnian Serbs"]

[Text] The Belgrade Surcin Airport may be opened already next week—to be more precise, on 2 August—we have learned from reliable sources close to the United Nations. The condition for opening the airport, as the Security Council has already announced, is the Bosnian Serbs' "yes" to the peace plan, "even if the plan would later have to be worked on and negotiated about."

The plan to open the airport, as well as a PRECISE CALENDER of a gradual lifting of other sanctions, after necessary conditions are met, has already been submitted to the Serbian side.

At the same time, a list of punitive measures if the plan is not accepted has also been handed over. Along with gradually tightening control on existing sanctions, some new ones are also been envisaged. BORBA's confidential as well as reliable sources claim that these first of all involve a stricter control of FRY [Federal Republic of Yugoslavia] citizens' travel abroad and then the breaking of telecommunications.

Serbia

Draskovic Accuses Media of Concealing 'Truth'

AU2807104094 Belgrade Radio Beograd Network in Serbo-Croatian 1000 GMT 28 Jul 94

[Excerpt] [Announcer] We ask our reporter Dusica Jovanovic what is happening in the Serbian Assembly [in Belgrade]:

[Jovanovic] The first information in this bulletin was, as we have heard, that the Srpska republic assembly is in session behind closed doors in Pale. Here, Vuk Draskovic, president of the Serbian Renewal Movement, is currently speaking. He started his speech by accusing Radio and Television Serbia of concealing from the public the truth about what is happening in Pale.

The applications for the debate about the proposed law on Radio and Television Serbia by the deputies of the opposition parties are still coming. In any case the morning session will last until 1300 until the lunch break. [passage omitted]

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Commentary on U.S., NATO Penetration to East

AU2707192394 Belgrade Radio Beograd Network in Serbo-Croatian 1700 GMT 27 Jul 94

[Commentary by Vladimir Nikolic]

[Text] According to Paul (Ridley), UN Protection Forces [UNPROFOR] spokesman in Zagreb, it is in the interest of the Croatian Government to try to solve the blockade of UNPROFOR by Croatian refugees from Serb-occupied parts of Croatia on the local level, rather than broaching the issue in the Security Council. We consider the course of activities so far unacceptable, said UN Secretary General Butrus-Ghali, prompted by special envoy Yasushi Akashi's report about the blockade of UN forces in Croatia. We have unofficially learned that Akashi has given the Croatian Government a deadline to free the roads for UNPROFOR or they will request a session of the Security Council and call for an extraordinary resolution against Croatia. Albeit timidly, sanctions were also mentioned as a measure.

Alan Roberts, head of the Sector South Information Service, stated that the UNPROFOR blockade, allegedly organized by Croatian refugees, is of a political nature and that Croatian authorities are directly involved. Moreover, Philip Corvin, coordinator of Civilian Affairs in Sector East, clearly said that the Croatian Government was behind everything and that it was sponsoring the protests.

During this time, UNPROFOR convoys [words indistinct]. Their forces are not regularly supplied, and according to the words of UNPROFOR Coordinator for Civilian Affairs Sergio de Mello, they cannot carry out their duties efficiently in the demarcation zones. Moreover, tension is rising in the UN Protected Areas. Croatian President Franjo Tudjman's statement yesterday supports these statements. After attending a military exercise on the island of Vir, Tudjman toured a National Guard infantry assault unit in Sipurine near Zadar and said that UNPROFOR as a peace force of the world organization had come here and had in the beginning carried out one part of its assignment, but it has failed to carry out the other part, because the rebel Serb forces—claims Tudjman—thwarted this attempt and—protected by the peace forces—carried out the occupation of Croatian territory. Mr. Tudjman announced that an end to this was near. I quote: Either the peaceful integration of these territories into the Croatian constitutional order will begin, or we shall have to undertake all measures to which we as an independent state have a right, end quote.

While the Croatian president is convinced of the Croatian Army's abilities when it comes to undertaking these other measures, Chief of General Staff General Janko Bobetko [word indistinct] others. Last night, after the military maneuvers mentioned earlier, when asked whether it was possible for UNPROFOR to withdraw but without being replaced by NATO forces, he told Croatian Radio Television: I believe that the world (?cannot) allow a vacuum because this would be a reflection of its weaknesses. It would not only (?show) their indifference, but it would also be an invitation to everyone to do what they will in this region. This would be the law of the jungle and uncertainty, and I believe that this is far from reality, and that the world—including NATO—will react in a much more practical and forceful fashion, because NATO also has a vital task that it has not exercised after the end of World War II. If, however, it were to do just one thing, namely secure the borders between Croatia and Bosnia-Herzegovina, this in itself would contribute to the final solution of the crisis and the end of the war in this region, General Bobetko concluded.

After everything, a question: Is Butrus-Ghali's statement about the possible withdrawal of the peace forces from the region of the former Yugoslavia reasonable and in the function of peace [words indistinct]? If so, was it made at the right time, since peace in this region was never closer than at the present time. It is illogical to announce the termination of the (?UNPROFOR) mandate, while at the same time threatening Croatia, which desires the termination of the mandate. Judging by what the Croatian president said, the policy there is coming increasingly closer to the other, military option for solving the problem. It only remains for NATO to join them, and General Bobetko's wish will be fulfilled. If U.S. geostrategic interests and NATO's new role and place in the now significantly altered balance of power is taken into consideration, it is clear that Croatia is opting for the variant in which—with foreign military aid—it will try to maintain the AVNOJ [Anti-Fascist Council of National Liberation of Yugoslavia] borders. At the same time, this would enable certain architects of the New World Order—with Croatia's aid—to facilitate the realization of some of their geostrategic objectives, primarily penetration to the east.

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